

The NATIONAL UNDERWRITER



WEST VIRGINIA 1863

Although West Virginia did not become a state until 1863, the territory was explored about 1670 by John Lederer and his followers. The first recorded settlement was made at Bunker Hill in the early eighteenth century. The South Branch Valley, one of the best fishing areas in the state, is part of the land granted to Lord Fairfax, who, in 1745, commissioned George Washington to survey it. Prominent in history and song is the state motto, "Montani Semper Liberi," which means "Mountaineers are always free." Even though West Virginia is known as a mountainous state, stock-raising, dairying, and the production of wheat, oats, corn, hay, potatoes, tobacco, and fruit are important economically. The state is often a leader in the mining of bituminous coal, and vast quantities of petroleum and salt are mined, too. The Pocahontas exhibit of the various processes of coal production is outstanding. Among the manufactured articles for which the state is known are iron and steel products, glass, and pottery, with great chemical developments in the Kanawha Valley. The modern capitol at Charleston is one of which the people are justly proud. The Monongahela National Forest with its many beauty spots, the mineral springs at White Sulphur, Berkeley Springs and Greenbrier County, Shepherdstown where James Rumsey successfully tried his steamboat in 1787, Harper's Ferry, Harewood, Prospect Peak, and Spruce Knob are some of the places which make West Virginia a year-round tourist haven. Industrious agents are kept busy servicing the year-round insurance needs of West Virginians.



CRUM & FORSTER
MANAGER



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UNITED STATES FIRE INSURANCE CO.	Organized 1824	THE WESTERN ASSURANCE CO., U. S. Branch	Incorporated 1851
THE NORTH RIVER INSURANCE CO.	Organized 1822	THE BRITISH AMERICA ASSURANCE CO., U. S. Branch	Incorporated 1833
WESTCHESTER FIRE INSURANCE CO.	Organized 1837	SOUTHERN FIRE INSURANCE CO., Durham, N. C.	Incorporated 1923
THE ALLEMANNIA FIRE INSURANCE CO. of Pittsburgh Organized 1868			

WESTERN DEPT. FREEPORT, ILL. PACIFIC DEPT. SAN FRANCISCO SOUTHERN DEPT. ATLANTA ALLEGHENY DEPT. PITTSBURGH CAROLINAS DEPT. DURHAM, N. C.

THURSDAY, MAY 18, 1950

This is leadership in action

Better service to the public has always been the first aim of the Insurance Company of North America and its affiliated companies. We have broken insurance traditions . . . launched new ideas . . . whenever we saw ways to serve the public better.

Still pioneering, still working in the public interest, as we have for 158 years, we are constantly working out property and liability insurance that is broader, simpler, easier to buy.

For the policyholder this means insurance that does more for his money. For Agents and Brokers it means an increased share of business . . . because the public responds to leadership and rewards those who represent forward and progressive companies.

Insurance Company of North America, founded 1792 in Independence Hall, is the oldest American stock fire and marine insurance company. It heads the "North America" Companies which meet the public demand for practically all types of Fire, Marine and Casualty insurance; Fidelity and Surety Bonds. Sold only through Agents or Brokers everywhere.



**INSURANCE COMPANY OF
NORTH AMERICA**
COMPANIES, *Philadelphia*

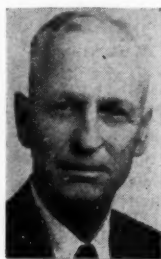
Insurance Company of North America
Indemnity Insurance Company of North America
Philadelphia Fire and Marine Insurance Company

Texas Agents Name Hollis F. Danvers as New President

Storm Disaster Plan Advanced by Local Association Officers

FORT WORTH—Hollis F. Danvers, Houston, was advanced to president of Texas Assn. of Insurance Agents, succeeding Russell R. Trimble of San Angelo, and Travis D. Bailey of San Antonio was named vice-president at the annual meeting here, which attracted more than 900 delegates and included a notable array of speakers.

On the personal side the convention



R. R. Trimble

spotlight fell on Drex G. Foreman, who is celebrating his silver anniversary as executive secretary of the association and who was formally reelected to start his 26th year. Agents, company executives, state officials and long-standing friends throughout the state joined in the tributes, with other speakers and committee chairmen describing his specific services to the business.

There was constant repetition of the theme of harmonious relations between the agents and the three-man board of insurance commissioners on the one hand and likewise between the organized producers and the stock fire and casualty companies they represent.

The association selected San Antonio for its 1951 convention, May 24-26. It reached a new high in membership of 1,865 agencies.

Storm Disaster Plan

Appointment of a loss committee of Texas agents to meet with representatives of companies, field clubs and adjusting groups to devise a disaster plan for use in handling claims caused by storms was urged at a meeting of local association officers just prior to the convention.

Taking a leading part in the discussion, which was led by Forest S. Pearson, president of the Austin association as chairman, were Donald B. Sherwood, general adjuster National Board; Ben Doherty, Commercial Union, representing Houston Field Club and J. Adoue Parker, chairman of the catastrophe committee of Austin agents.

Mr. Doherty told of studies being made by the joint loss committee of the Texas four field clubs, adding that agents and adjusters, both bureau and independents, should be on the committee.

He said fire companies, through Texas Insurance Advisory Assn., have prepared a newspaper advertisement for use in localities suffering a storm, which

Insurance Loss at Rimouski, Que. Put at \$8 Million

Estimates of the total insurance loss on the Rimouski, Que., fire are near \$8 million after a preliminary survey which indicated that the total loss was more than double that amount.

The big loss was in the Price Lumber Co. across the 200-foot wide Rimouski river. The yard was totally destroyed. It was insured through a Montreal brokerage house in many U. S. and British stock companies. Coverage on buildings and contents was \$1,170,000. There was \$2,200,000 on the lumber and other wood products in the yard. The lumber yard at Rimouski was part of a blanket U. & O. coverage on all Price lumber yards and an estimated 30% of the company's total of \$1,750,000 U. & O., about \$500,000, was on the Rimouski yard. The rest of the coverage was on other Price locations.

The greatest loss on the Price yard is understood to be in Royal. It is estimated near \$350,000. Other big losers on the lumber yard with more than \$100,000 coverage were Continental, Phoenix-London and Lloyds. The rest of the coverage was split among many companies, with percentages ranging downward to 1%.

Local Insurers Hard Hit

The loss picture on the town proper, which is across the river from the lumber yard, was still confused with conflicting reports. Independent companies and local mutuals were understood to be extremely hard hit there. Unless some of the small companies retained only small lines and reinsured the bulk of the liability, some may be seriously hurt. These reports were not confirmed, however. Commercial Union was said to have substantial reinsurance on companies writing business widely in the town.

The companies set up a committee composed of six chief executives. William Perego, chief claims superintendent of Royal, was sent to Rimouski to coordinate claim work.

Companies set up a central office on the main street and began paying losses as soon as possible. Some companies sent adjusters to the site, where they settled claims by issuing drafts as soon as they got proofs of loss. There was a problem of finding some people to pay them to. Substantial losses were incurred on church, school and town property. One agency was said to have losses on its insured totalling \$1.8 million.

The loss at Cabano, a nearby town that was swept by fire a few days after the Rimouski fire, was estimated at \$1 million but was thought to be less. There was some loss at the Fraser lumber yard there but the buildings were untouched. The insurance limit on the lumber was \$600,000. This coverage was split among a number of carriers by a Toronto brokerage firm. There was a question as to how much lumber was in the yard when it burned.

Board companies took losses on homes and buildings in the town but there again it was understood that local mutuals and independents would probably take a big share of the loss.

carries a four-point message to policyholders under these headings: "Look for amount of the deductible clause in your policy; if your loss is more than amount of the deductible clause, or if your policy does not have a deductible clause, notify your agent; if possible, obtain an accurate estimate of your

(CONTINUED ON PAGE 12)

Miss. Agents Elect Roberts President

Mississippi Assn. of Insurance Agents at its annual convention at Biloxi elected H. C. Roberts, Canton, to succeed Robert E. Bobo, Clarksdale, as president. Attendance was 313.

Julius G. Berry, Tupelo, was named vice-president. E. H. Ruble, state na-



R. E. Bobo



H. C. Roberts

tional director, West Point, and Clant M. Seay, secretary-manager, Jackson, were reelected. New directors are Fred L. Moyse, Greenville; Henry Spang, McComb; Carl Fox, Jackson, and B. Havard, Jr., Gulfport.

Mr. Bobo in his report urged stronger administration of the agent's licensing law so that the insurance agency business will come to be recognized as a profession. He said local agents should receive the same thorough training that companies give special agents.

Ask Tax Equalization

A resolution adopted asked for equalization of taxation among all companies in Mississippi, particularly in light of the recent legislative creation of a recess committee to study the question of tax exemptions now enjoyed by certain types of companies. The association also called upon companies to give consideration to the broadening of dwelling forms.

Richard E. Farrer, National Fire, spoke on "Building Agency Prestige." He also conducted a forum on "Agency Competition." Other speakers were Commissioner White, who advocated a closer study of Mississippi insurance laws, and O. Shaw Johnson, Clarksdale, president of N.A.I.A., who reviewed that body's meeting at St. Louis in March. Nathan Howard Gist, New York City, was the banquet speaker. He discussed "The Wise and Otherwise."



GROUP OF LEADERS AT ANNUAL MEETING OF MISSISSIPPI ASSN. OF INSURANCE AGENTS AT GULFPORT AS TAKEN BY HARRY H. FULLER, DEPUTY U. S. MANAGER OF ZURICH:

From left, Clant Seay, executive secretary; Robert Bobo, retiring president; H. C. Roberts, new president, and O. Shaw Johnson of Clarksdale, Miss., president of N.A.I.A.

Midwest Storm Loss Cost Revised Upward to \$12 Million

Loss Departments Are Deluged — 300,000 Claims Anticipated

Loss estimates on the windstorm of May 5-6 which blanketed the northern middle western states have been revised sharply upward to a staggering total of nearly \$12 million. Company loss men, who were prepared to contend with a major windstorm and an aggregate of something more than 100,000 claims, now are faced with 300,000 claims and are swamped.

This is by far the worst windstorm loss in history, both as to number of claims and amount of dollar loss.

In a bulletin to its companies dated May 10, Western Adjustment estimated that it will handle 117,500 wind losses. The breakdown on the states affected and the number of losses Western Adjustment expected in them as of May 10 is: Wisconsin, 20,000; Iowa, 25,000; Missouri, 25,000; Illinois, 15,000, and Michigan, 15,000.

Underwriters Adjusting estimates that its staff will adjust 50,000 losses. Because the greatest storm damage was in the rural areas, local agents in small towns will do considerable adjusting work. Many of the companies are giving the bulk of minor rural losses to the agents.

Expect \$40 Average Loss

The average amount of loss, it is anticipated, will be slightly below \$40. However, adjustment expenses figuring in extra personnel transferred to the scene will be high, and a \$40 figure including adjusting expense apparently will be a close estimate.

Western Adjustment has moved 103 men into the storm area, and Underwriters Adjusting has transferred 45 men. In addition, both organizations have their regular staffs in the territory hard at work.

The National Board has designated the storm as a catastrophe, and in its

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Offer Plan to Resolve Boiler, Fire Overlapping Issues

Proposed Agreement of Guiding Principles Is Well Regarded

There has now been recommended to members of National Bureau of Casualty Underwriters and National Board, an agreement of guiding principles in connection with losses in which there are interested both boiler-machinery companies and fire companies. This is greeted with much enthusiasm by those who have had experience with conflicts in this field and it is said that the agreement corresponds pretty closely to what the best informed people in both the fire and boiler ranks have felt should be the established procedure. The difficulties, it is said, have largely arisen when experienced claim men, or those with some pet doctrine get into a case.

Leaders on both sides have gone on the theory that there is no reason why an assured should be penalized because of some idiosyncrasy of contract language that results in overlapping cover. In connection with overlapping situations, the agreement contemplates that insurance effected solely for loss to an expressly described article for an express amount shall be deemed to insure independent of any other insurance by whomsoever effected to the same extent as if no other insurance existed.

In connection with this article of agreement, an example is given where under the boiler insurance had \$50,000 cover specific on boiler only (manufacturers shop policy). The fire insurance group had \$100,000 blanket on building and contents. There was a boiler loss of \$20,000 and a building loss of \$10,000. The boiler insurer would pay \$20,000 and the fire insurer \$10,000.

Joint Loss Provision

Other types of loss, whether property damage, business interruption, U. & O., or consequential damage to which both the boiler and the fire underwriters apply shall be known as a joint loss. The apportionment rule is to ascertain the amount of the loss payable by the boiler group had no fire group insurance existed and the amount of loss payable by the fire group, had no boiler group insurance existed. Each group shall pay that proportion of the joint loss that its respective group limit bears to the sum of the limits.

An example is given of a case where the boiler insurance was \$50,000, the fire insurance \$75,000. The loss involving both groups of underwriters was \$40,000, and this, too, was the amount of the joint loss.

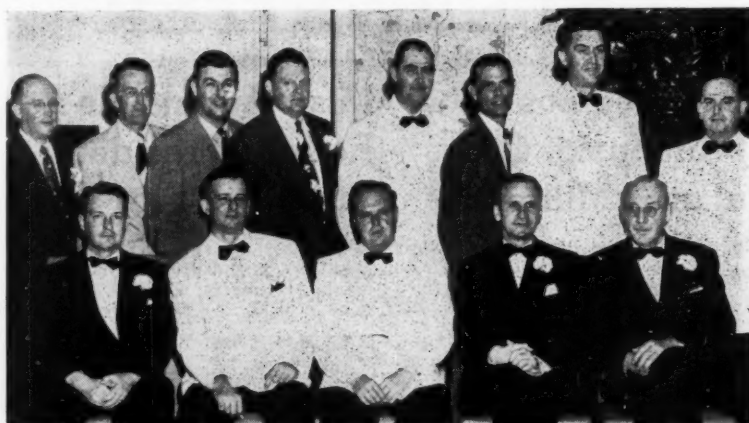
Here the total amount of insurance that applies is \$80,000, consisting of \$40,000 boiler insurance had there been no fire insurance and \$40,000 fire insurance had there been no boiler insurance. Hence the boiler group pays

$$\begin{array}{r} 40,000 \\ \times 40,000 = 20,000 \\ 80,000 \\ \times 40,000 = 20,000 \\ \hline 40,000 \end{array}$$

In respect of loss involving only property of the insured, if there is loss of a kind covered by only one of the groups in addition to a joint loss and there is not sufficient insurance provided by one group to reimburse fully the policyholder for the entire loss, the insurance covering other kind of loss shall first

(CONTINUED ON PAGE 19)

North Carolina New Official Family



New officers of North Carolina Assn. of Insurance Agents elected at the annual meeting at Pinehurst: From left to right, seated—Thomas Jones, Burlington, secretary; Louis E. Woodbury, Jr., Wilmington, president; William E. Webb, Jr., Statesville, vice-president; H. C. Horton, Winston-Salem, past president, and S. G. Otstot, Raleigh, executive secretary.

Standing are the directors, Jimmie Anderson, North Wilkesboro; R. Stanford Webb, Asheville; Hiram Grantham, Red Springs; Marvin Newsom, Littleton; W. H. Carstarphen, Williamston; Robert Senn, Greensboro; Claude Wells, Charlotte, and Deems Clifton, Clinton.

Yacht Rates Take a Tumble

Quite a flurry has occurred in the yacht insurance market with the opening of the season in northern waters. The March 1 rates which the underwriters expected would hold this year were upset late in April, due it is understood mainly to the position taken by a single company. New and lower rates were bulletined on a retroactive basis.

In the classifications affected, the rates are now about 1/4% lower. For instance, in the Great Lakes, the rate for gas yachts in the range of \$5,000 to \$7,499 is 4% as compared with 4 1/4%; from \$7,500 to \$9,999, the rates are now 3 1/2% instead of 3 3/4% and in the range \$10,000 to \$44,999, the tariff is 3 as against 3 1/4. For sailing yachts there has also been a 25 cent reduction.

There have also been reductions in the P. & I. excess limits rates.

Something of a fillip to the competitive situation was added when a new organization in the Warner building at Washington that is called American Yachting Assn. circularized boat owners to join the association at \$7 a year. One of the promised benefits is a free personal accident policy giving coverage from \$500 to \$5,000 for injuries suffered in accidents on and around docks and aboard the boat. Also there is offered "opportunity to get through a legal reserve stock company, standard marine insurance" at 15% or more lesser rate plus 20% refund, claims or no claims.

The interested insurance company, it is understood, is American Mercury of Washington. This is the company that offers what is advertised as a special deal for members of Aircraft Owners & Pilots Assn. The A.O.P.A. insurance hook-up at first was through L. E. Robertson of Montreal and then was transferred to American Mercury. The main factor in that company, it is understood, is G. C. Whalen, who is a prominent Lloyds man at Washington. President of American Yachting Assn. is J. A. Councillor; vice-president, Dr. A. A. Shapiro, a dentist, and the secretary is Ward M. French of Washington.

Duncan & Swain Expands

Duncan & Swain, adjustment firm of Evansville, Ind., has opened a branch office at Owensboro, Ky., with Chester H. Shelton in charge. He has been servicing that territory from the Evansville office for several years. Duncan & Swain also has an office at Paducah.

Reinsurers Again Woo General Agents

Some of the fire reinsurance companies are again making overtures to general agents. In the lean days of reinsurance, a number of reinsurers entered this field. Their regular sources of business were evaporating and they felt obliged to go beyond the ordinary treaty field in order to keep the turnstile moving. Then when reinsurance facilities were at a premium during the period of market glut, most of the reinsurance companies withdrew from the general agency field.

Now they are making a new approach. At this stage, however, they are insisting on terms that they did not require in the former days. For instance, they want to be what is known as "first-up" on any cession of business that is arranged by the general agent. They want to get a completely representative spread of business rather than simply being utilized on the peak lines. Such a condition is not altogether to the liking of general agents, many of whom spread the business around among their regular connections in order to produce a balanced business for all.

V. M. Hoffman Slated as President of D. C. Assn.

The nominating committee of District of Columbia Assn. of Insurance Agents has recommended the following slate:

President, V. Manning Hoffman; 1st vice-president, Henry G. Dudley; 2nd vice-president, Henry C. Young; secretary, William A. D'Espard; treasurer, George S. Denton; state national director, Victor O. Schinnerer.

Executives Bond Club Guests

Investment executives of Hartford insurers and banks will be the guests of the Bond Club of Hartford at its annual outing and dinner at the Country Club of Farmington June 9. Guests will be present from Boston, New York and Philadelphia.

Leary in Federal Mutual Post

John F. Leary has been elected assistant secretary of Federal Mutual Fire, one of the Kemper group. He has been with the Kemper interests since 1924. He is manager of the underwriting department and has been resident secretary of Lumbermens Mutual Casualty at Boston since 1944.

Sam Stewart Is Now Head Man of General Agents

Good Feeling Prevails at Best Attended Parley in History

Sam H. Stewart of the American Agency Co., Tulsa, was elected president of American Assn. of Insurance General Agents at the annual meeting at Edgewater Park, Miss. This was the best attended gathering in history and



S. Linton Smith



H. C. Stebbins

the consensus among the members is that the general agency system has become well stabilized. They feel that the bad news is pretty well out by this time, that is, the companies that have decided to leave the general agency field have done so. A number of companies are making new general agency appointments these days and others that had put a premium limitation on their general agents, have removed this inhibition.

The association embraces a very large proportion of all eligible general agents and the ranks have been completely cleared of what is known as the grippack variety of general agent. Herbert Cobb Stebbins of Denver, the perennial secretary, reported that the membership stands at 169.

The complexion of the membership is changing. The only ones that were present who attended the first conventions 20 or more years ago were Mr. Stebbins, J. K. Shepherd of Little Rock and W. L. Braerton of Braerton, Simonton, Brown of Denver. Six general agents were accompanied by their sons, who are taking a prominent part in the business.

Simoneaux and Brown are Veeps

The new vice-presidents are Jules Simoneaux of the Steckler General Agency of New Orleans and J. Leonard Brown of Braerton, Simonton, Brown. Chairman of the executive committee is Harry Crag of Alfred Paull & Sons of Wheeling, W. Va. Other members of the executive committee are S. Linton Smith of Raleigh, the outgoing president; Stuart Richardson of New York and Phil Richards of San Francisco.

There will be a meeting of the executive committee at the time of the N.A.I.A. meeting at Chicago this fall. The speaking program was of exceptionally high quality and took place at three morning sessions, leaving plenty of time for conviviality and comparing notes in an informal way.

Mr. Stewart started in the business with the Cochran & Thomas general agency at Dallas in 1911. Then he went with General Agent Thomas A. Manning at Dallas. From 1916 to 1921 except for a period of war service he was with L. N. Ewing & Co. at Tulsa and from 1921 to 1929, with Pearce, Porter & Martin local agency of that city. Then he formed his own general agency.



Here are prospects you know...

Today improvements are being made to old homes all over the country, new homes are being occupied daily, furniture and appliance sales have reached an all-time high.

This post-war period opens up unlimited possibilities for increased dwelling contents coverage.

During recent years, hundreds and thousands of families in your community have invested sub-

stantially in home improvements and furnishings of all types. Many of these are not insured at present day values, some are not insured at all.

You can do them—and yourself—a real service by calling their attention to their need for adequate home coverage . . . and other coverage too!

Why not find out more about the National of Hartford Group as soon as possible.

National of Hartford Group

NATIONAL FIRE INSURANCE COMPANY OF HARTFORD
MECHANICS and TRADERS INSURANCE COMPANY



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MEMBER THE ASSOCIATED AVIATION UNDERWRITERS

Manuel Gorman Gives Hints on Anti-Trust Angles

Discusses Application of Laws to the Life Companies

WHITE SULPHUR SPRINGS—Insurance companies may freely and readily exchange factual data with respect to pending claims and may cooperate in the obtaining of such data without run-

ning afoul of the federal anti-trust laws but must act independently in the actual settlement of claims, in the opinion of Manuel M. Gorman, assistant counsel Life Insurance Assn. of America, who addressed the Assn. of Life Insurance counsel meeting here this week.

Mr. Gorman, a former member of the anti-trust staff of the Justice Department, was discussing the application of the anti-trust laws to life companies.

Mr. Gorman said that in the joint handling of claims, exchanges of information regarding actual or proposed action fall within the danger zone.

"Obviously, action in concert designed to bring about similar action by all companies interested in a given claim would be even more dangerous," he said. "It is possible to spell out a theory, perhaps a somewhat attenuated one, of price fixing where there is common action or agreement with respect to the settlement of a claim. At all odds, it appears to me that the dangers inherent

in such a practice are such as to render it highly inadvisable."

Mr. Gorman said that from time to time life company counsel have indicated to him that there is considerable diversity of thought as to the permissible scope of exchanges of information and joint activity with respect to claims. He said there are, of course, no adjudicated cases bearing directly on this subject and in addition the traditional concept of marketing is not fully applicable to the disposition of claims, since these may be said to involve the settlement of a contractual obligation rather than a sale in the normally accepted sense.

Thus it is difficult to approach all phases of these procedures in terms of absolutes. Nevertheless, Mr. Gorman said he thought he could indicate with some assurance an approach which would be within the zone of safety.

It seems to be quite clear, he said, that the exchange of factual data designed to facilitate the unilateral handling of claims by the individual companies is unobjectionable. Undoubtedly such information, even if acted upon independently, may in some cases bring about a relatively uniform action by a number of companies with respect to a given claim. Such action, however, would be based solely upon the individual discretion and judgment of each company. Such information, he said, may also be likened to credit information and information designed to avoid fraud, approved in *Swift & Co. vs. United States*, 196 U. S. 375, 379 (1905). *Cement Manufacturers Protective Assn. vs. United States*, 268 U. S. 588 (1925).

Hence, Mr. Gorman believes that individual companies may continue to give factual information regarding claims where policies are held by more than one company on the same risk, provided no indication of action taken or to be taken is included.

Common Investigating Agency

Similarly, he sees little risk in the investigation of claims by a number of companies through a common agency or in the use of a common physician to make medical inspections in connection with these claims. This amounts only to a collective device for ascertaining facts which it would be permissible for the companies to exchange. It would save expense and often inconvenience to the claimant. Here, also, indications of action should be avoided.

Mr. Gorman said that the S. E. U. A. case was not part of a devious plan primarily directed at federal control of the life insurance business and its great assets, but was solely the result of numerous complaints about practices in the fire insurance business. It is a mistake, he said, to read into the case a complicated political motivation. Neither is the Department of Justice nor the federal trade commission engaged in planning a great anti-trust attack on the life insurance business, he said, even though some of the results of the S. E. U. A. case may well lend themselves to political maneuvers, and agencies charged with the enforcement of anti-trust laws may be under Congressional pressure to bring about a life insurance investigation.

Consider All the Facts

Mr. Gorman said that in considering the possibility of anti-trust trouble it is necessary to consider all the facts, not just those relating directly to the proposal or transaction under examination. It is the cumulative weight of all these facts and the pattern to be drawn from a number of separate practices that indicate the trouble zones. How does the particular transaction fit into the total competitive effort of the company and of the industry as a whole? What is the purpose to be served by the practice? Does it have a specific utility? How did the idea develop and will it be carried out? Are there practical alternatives? These are some of the questions to which answers should be sought, Mr. Gorman said, adding that the correspondence and file materials relating to the subject may be most revealing and

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1,000 Attend Rally of Statistical Assn. at Boston

G. H. Hamilton Takes Over the Reins from John Stuart

The annual meeting of Insurance Accounting & Statistical Assn. at Boston last week drew a crowd of more than 1,000 accountants and statisticians representing more than 450 life, fire, casualty and A. & H. companies.

John Stuart, assistant treasurer of Employers Casualty of Dallas, was succeeded as president by George H. Hamilton, assistant secretary and assistant controller of Phoenix Mutual Life. Mr. Hamilton is a fellow of Life Office Management Assn. and last year was vice-president of the life section of the statistical association.

The general sessions were held in John Hancock Hall in the home office building of John Hancock Mutual Life. Greetings were extended by Paul F. Clark, president of John Hancock and Commissioner Harrington of Massachusetts.

New vice-presidents elected, each having charge of a section are: Kenneth M. Hills, American Mutual Liability, casualty; W. H. Crawford, Loyalty group (re-elected), fire; Ralph Kennon, Northwestern National Life, life; A. J. Schnese, North American Accident, A. & H.

F. W. Campbell, John Hancock, was chairman of the Boston committee on arrangements.

Multiple Line Talk

A. H. Benson, Lumbermen's Mutual of Mansfield, O., was chairman of the fire session, at which a talk on multiple line operations was given by Paul Otteson, actuary of Federated Mutual Implement & Hardware.

Mr. Otteson related some of the problems that his company has experienced in making the transition to a multiple line operation from that of fire and allied lines only. He said that the change is a bigger proposition than might be anticipated and there is an effect on the entire character of the companies as well as on the relative status of individuals.

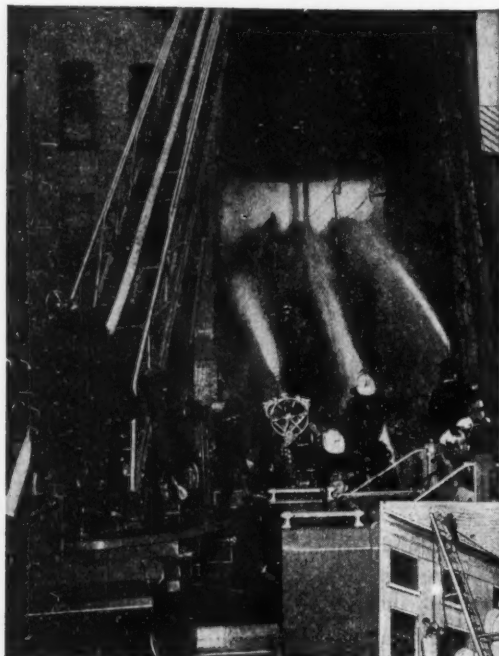
In going to the casualty lines from fire, Mr. Otteson said it is often necessary to go an additional step and take on group A. & H. in order to protect workmen's compensation and other business. This is especially true in states with cash sickness laws and also for policyholders carrying group insurance.

It is easier to get into the casualty field than into A. & H., he said, because casualty policies and rates are pretty well standardized, but in A. & H. there is no standardization and it is necessary for a company to work out its own policies and rates.

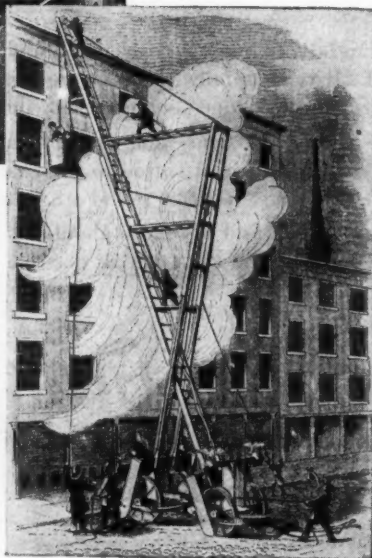
Mr. Otteson remarked it is important to develop all lines as evenly as possible, otherwise morale will be high and advancements rapid in the lines that are moving ahead, all employees in other lines that are lagging will tend to become dissatisfied because of lack of advancement and progress.

One important principle suggested by Mr. Otteson is that the company making

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Effective Protection



Loss of life and property due to fire is dependent to a large extent upon the speed with which fire-fighting apparatus can answer an alarm. Fire departments have met the problem of higher buildings and greater distances with fast, powerful, efficient equipment. This progress has been matched in the insurance field, too. For the past 150 years, Caledonian agents have pointed with pride to progressively better service to their policy-holders.

The CALEDONIAN Insurance Company

FOUNDED 1805

EXECUTIVE OFFICES • HARTFORD, CONN.

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Nine Speakers to Address National Adjusters Meet

A lineup of nine speakers has been announced for the annual meeting of National Assn. of Independent Insurance Adjusters at French Lick, Ind., June 22-24. Benjamin Horton, Louisville, is convention chairman.

Those on the speaking program are: Thomas F. Buchanan, vice-president of Aetna Fire; G. S. Peick, assistant secretary of Hardware Mutual of Minnesota; Phillip M. Winchester, general manager of General Adjustment Bureau; Wayne W. Thompson, assistant dean of the American Institute; A. L. Plummer, general attorney of Bruce Dodson & Co.; Col. C. Buckle of London Fire Adjusters Assn.; James Creal, general counsel of the Kentucky department; Harry McClain, executive secretary of Indiana Assn. of Insurance Agents, and Fred Crowell, editor of the Insurance Field.

The business meetings will start June 22 in the morning, and in the afternoon there will be an open program for golf and recreation. Each evening there will be a dinner followed by a floor show and dancing.

Advance registrations are the largest in history.

Michigan 1752 Club Stages Parley; Plan Agents' Meeting

LANSING, MICH. — Arrangements for the first annual meeting of Michigan Assn. of Mutual Insurance Agents, Oct. 26-27, were made at an educational conference here staged by Michigan 1752 Club, with about 165 agents and field men in attendance.

R. N. Hiatt, Indiana Lumberman's Mutual, stressed the one-package policy as a definite trend in speaking on "Future of the Fire Insurance Business." Charles O. White of Fremont, president of the mutual agents' group, emphasized the need for participation in the educational clinics being conducted by Michigan State College.

L. A. Fitzgerald, American Mutual Alliance, and W. H. Clarke, Iowa Hardware Mutual, both stressed the importance of public relations, and John Fohr of the Michigan State college journalism department talked on how to write effective letters.

Other speakers included Paul Dubuc, Shelby Mutual, on garage liability; H. B. Skelton, Rough Notes Co., on agency costs and several insurance department officials, including Deputy Commissioner Corell and Darlyle Watters, director of the licensing division.

Eye Deductible Hearing

Carnation Co. of Los Angeles is the insured with fire and E.C. cover on a deductible basis that is involved in the hearing that Commissioner Downey of California has called. The legality of such a program will be gone into at the hearing over which H. A. Benjamin will preside. Insurance was placed by Fred S. James & Co. The certificates of insurance were filed by Swett & Crawford to determine whether they comply with the law. There are two certificates granting coverage on all real and personal property situated anywhere on premises owned, leased or occupied by the insured in the U. S., except only buildings and equipment in two states. It is indicated that 11% of the values are located in California. Insurance under one certificate is \$500,000 excess of \$50,000 and the rate is .35% of values reported. The sum insured under the other certificate is \$500,000 excess of \$550,000 and the rate is .11%. Certificates are for three years commencing March 1, 1950.

The hearing has been postponed from May 18 to May 22.

Preston M. Bacon of Wheeler, Kelly, Hagney, Wichita, was named one of

three lieutenant governors of the Missouri-Kansas-Arkansas-Oklahoma district of the Civilian Club at the district meeting at Tulsa.

Vancouver Made Class 4

Washington Surveying & Rating Bureau is completing a resurvey of Vancouver, the city's National Board grading having been lowered from class 5 to class 4. It is estimated that reductions of about 12% on dwellings and 6% on other types of structures will result.

Many Inland Marine Changes Are in Offing

Numerous changes in inland marine lines are in the offing. A new jewelers block form and regulations are to be brought out effective Oct. 1. The garment contractors floater is to be overhauled effective July 1 and at the same time, there will be changes in the thea-

trical floater.

It is intended to bring the mobile agricultural machinery and the livestock floater under the jurisdiction of I.M.U.A. Aug. 1. At the same time it is proposed to exclude farm horses from the horse and wagon floater policy. Such risks will go under a livestock floater.

There is to be a change in fine arts rates July 31.

Market Service and American Fidelity & Casualty offices at Los Angeles have been moved to 1123 Wilshire boulevard.



Everyone is familiar with the fable of the dog that, in trying to get the bone reflected in the water, dropped the one in his mouth. Yet today, there are many of us who are ready to drop individual enterprise for the promised "security" of the welfare state. Never in history has government-planned economy built a standard of living anywhere near comparable to our own. The American way of life was built by free people working in a free economy . . . free to choose their occupation . . . free to invest the rewards of their labors as they saw fit . . . with the help and not at the command of government.

Edmund Burke, statesman and champion of the rights of man, in 1784 said, "The people never give up their liberties but under some delusion".



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Oklahoma Agents Favor Five-Year Installment Plan

H. T. Moran of Oklahoma City Elected President at Meeting at Tulsa

TULSA—H. T. Moran of Oklahoma City was elected president of Oklahoma Assn. of Insurance Agents at its annual meeting here. Kent W. Johnson, Alva, was named vice-president and T. Ray Phillips, Jr., Oklahoma City, was re-elected secretary. New members of the executive committee are Harold Yearby, Poteau; J. C. Hampton, Ponca City; E. N. Burke, Enid, and Foster Boggs, Tulsa.

On motion of E. R. Ledbetter of Oklahoma City, the association adopted

a resolution urging all of the fire companies to make available to their agents in Oklahoma the five-year installment premium payment plan, sometimes known as the 80% plan, now being offered by 54 companies. There was considerable discussion. James Whelchel opposed the plan on the premise that if the five-year plan is right then the term rule is wrong. There were three dissenting votes. Most of the agents said they supported the plan because it is important that they have it to meet competition.

Oppose Socialization, Urge Economy

Another resolution put the association on record as opposing the further socialization of the country and the rising cost of government and asking for economy. The resolution specifically mentioned HR 6000 as one that should not be passed. A resolution of sympathy to Guy M. Landes of Tulsa, a past president, in his serious illness also was adopted.

Mr. Phillips in his report as secretary-treasurer urged a reclassification of dues upward.

More than 430 registered. Practically all of the speakers stressed the need for agents taking a more active interest in federal politics in defense of the insurance business in particular and

the private enterprise system in general.

President Dave R. McKown, speaking on "The Fight Is On," took up the various socialistic schemes that have already invaded the insurance business and chided the companies for not having taken a more active part in opposing the development of these programs at the beginning. He cited the recent workmen's compensation hearings in Oklahoma in which C.I.O. and A. F. of L. representatives had made numerous unwarranted attacks upon private insurance in pumping for a monopolistic state fund, but said there was no representative of the companies present to speak in their defense.

World's Worst Politicians

Mr. McKown described insurance agents as excellent people, but the world's worst politicians. He challenged them to return to their home communities and take a more active part in political campaigns, so that legislators will be informed as to the danger of the socialistic ideas that are presented.

Foster F. Boggs, president of the Tulsa Insurance Board, host to the meeting, outlined some of the pleasant difficulties that had been engendered by the unexpectedly large attendance.

H. T. Moran, Oklahoma City, vice-president, made the report for the administration. Commissioner Dickey of Oklahoma urged that something be done to codify and simplify the insurance laws of the state and that a workable licensing statute be adopted. Paul Reed, commissioner of public safety, outlined the new safety responsibility law of Oklahoma.

Kenneth L. Nehring, Tucson, Ariz., executive committeeman of the National association, outlined most forcefully the services of the National association.

Eglof Urges Full Protection

John H. Eglof, Travelers, Hartford, made one of his famous sales speeches in which he challenged the agents of the smaller towns and fire insurance agents generally to provide complete protection for their clients, even including group accident and life insurance. John C. Leslie, Insurance Record, urged contacting senators regarding HR. 6000 and most of those present pledged such action.

A breakfast was held for rural agents and those interested in farm business, in charge of Kent W. Johnson of Alva. Discussion leaders were E. C. Rooney, National Surety; J. K. Kelley, Cravens, Dargan & Co., and A. D. Sills, America Fore.

"Stump the Experts" Session

Important problems of rating and procedure were discussed at a "Stump the Experts" session. The panel included Don H. Shannon, North British; Paul Wise, Fidelity & Deposit; William E. Sharp, Frank Rimmer & Co., and Hardie Miller, Midwestern. James Quinn, Bartlesville, was master of ceremonies.

James O. Whelchel, Tulsa, outlined the insurance school at Oklahoma A. & M. Ross C. Shannon, sales manager of Socony-Vacuum Oil Co., St. Louis, spoke on "Reaching for the Brass Ring" and J. Dewey Dorsett, manager of Assn. of Casualty & Surety Companies, on "Shall We Permit State Insurance to Overwhelm Us?"

The Oklahoma fire and casualty companies were host at a joint reception preceding the banquet.

Michigan Hearing on Escott Plan Is Set for June 1

LANSING, MICH.—Michigan Inspection Bureau has submitted to the Michigan department for approval the so-called Escott plan for handling multiple location risks but the filing has not been accepted as America Fore formally objected to the proposal and demanded a hearing. Commissioner Forbes set the hearing for June 1.

S. T. Shotwell Is Elected Head of Pacific Board

R. L. Ellis Gives Warning on Discrimination, Excess Commissions

Samuel T. Shotwell, vice-president of North British, and Herbert Ryman, vice-president of Great American, were elected president and vice-president respectively of the Pacific Board at the concluding session of the annual meeting at Santa Barbara, Cal., this week. Raymond L. Ellis, Fireman's Fund, is the retiring president.

Elected to the governing committee for two-year terms were Clarence E. Allan, Northern of London; Hugh S. Coburn, Boston; Carl N. Homer, Deans of Homer; William B. Miller, American; Richard Orlob, Atlas, and William Wittkoff, Employers Fire.

Pointing out that the Pacific Board was rounding out a little over two years in its new role as a trade association, Mr. Ellis examined some of the board's activities and evaluated a number of its functions in his report. The board, he said, is not a rating nor an enforcement body; nevertheless, as a trade association it is vitally interested in the orderly conduct of the fire business. It is the responsibility of a trade association, he added, to deal with such matters openly and earnestly and by doing so develop a better appreciation of what is good and what is bad for the business.

Defines Discrimination

Mr. Ellis discussed the California rating law and its application to current conditions, noting that the law encourages competition, and if a company desires to deviate from published rates it is privileged to do so. However, the law also forbids unfair discrimination, and when policies are written on individual risks or groups of properties at lower rates or broader forms than are used by the same companies on similar properties, that, Mr. Ellis declared, is in his opinion unfair discrimination.

"Continuation of these practices is bound to lead to demoralization and might ultimately bring us to chaos unless correction is secured from within our ranks or by the police powers of the insurance department," he observed.

"Do we need police power to make us conduct our business as provided by statute and with a decent respect for the rights of all members, or are a few companies of a predatory disposition going to lead us into a ruinous rate war?"

"The fact that the board can no longer compel the observance of rates should not make the slightest difference in the minds of the members as to what is good or bad for the business. Certainly," Mr. Ellis stated, "if some members are going to take advantage of others in their quest for more business, or in submitting to pressure from a relatively few producers, the remainder of the members is not going to sit by and watch their business go off their books. This is so fundamental that it should not have to be mentioned; right

(CONTINUED ON PAGE 18)

Don't you want to
MAKE MONEY?

It's lying around loose just waiting for someone to pick it up. That's not a far-fetched statement, either. A recent survey made by a large national magazine showed that only 69.4% of the people answering the questionnaire carried personal accident insurance. Of the remaining 30.6% the majority said they had never been asked to buy it. What are you waiting for? We have the best policies on the market . . . you have clients or prospects who need personal accident coverage . . . why can't we get together? Information regarding policies and rates available on request.

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R. L. Ellis

May 18, 1950
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Cleveland Board President Reviews Commission Issue

CLEVELAND—In his report at the annual meeting of Insurance Board of



C. A. Collier

Cleveland. President C. A. Collier, who was reelected to that office, devoted considerable attention to the commission problem. He restated the board's position on the subject as being that N.A.I.A. should not be empowered to deal with the rates of commission paid to individual agents; that its representatives should be authorized to attend conferences regarding acquisition cost factors and promote the recognition by supervisory officials of an expense factor for agency operations as distinguished from compensation to agents for production and other services. While the board is taking no organized or official position in connection with the commission problem, he said that some method of stabilizing commissions should be worked out. He declared that there should be a breakdown of acquisition expense items by the companies to set forth clearly what is paid for selling a policy and what is paid for additional services.

As to N.A.I.A., he said it is at this time in a difficult and trying situation. The National association's picture is confused at the moment. There is a crying need for a definite strengthening of the National association. Its need for strong organization was never more pressing. Surely there are enough strong leaders in the agency ranks, so that this situation will be met promptly and effectively."

He declared that the board does not favor installment payment of term fire insurance and recalled that N.A.I.A. has empowered its officers to resist the spread and growth of various installment plans which have been initiated throughout the country.

On the legislative side, he urged the enactment in Ohio of a fair trade practices act, a statute to protect local boards, solicitor's qualification law, a disability insurance statute which would provide for the writing of this type of business by private carriers, and a multiple powers act. He also urged activity in learning the qualifications of candidates for public office and how they stand on insurance matters, especially as regards disability insurance.

He praised the work of the Ohio department and urged support for additional appropriations for it.

Staff and Work of FTC Is Being Reorganized

WASHINGTON—Reorganization of federal trade commission staff and work involves a number of changes touching the handling of insurance matters.

Henry Miller who, as head of the trade practice conference bureau, has had charge of the mail order insurance and auto finance "pack" trade practice conference proceedings, is promoted to associate general counsel in charge of industry cooperation.

The trade practice conference bureau becomes a division of a new bureau of industry cooperation. James A. Horton, former director of the bureau of legal investigation, becomes director of the new bureau, with P. B. Morehouse, former head of the bureau of stipulations, as associate director and chief of the new division.

That bureau also includes a division of stipulations headed by W. B. Snow, Jr., which will handle settlement of complaints through agreement between FTC and respondents.

Edward W. Thomerson, who has been

in general charge of certain insurance work of the commission, is named assistant general counsel in charge of insurance and trade-marks.

A bureau of deceptive practices is set up, headed by Richard P. Whiteley. It will handle false advertising matters. Under him, Joseph W. Powers, who has had charge of certain field work in connection with marine and other insurance investigations, becomes chief of the division of investigation at this bureau. The same bureau includes a division of radio and periodical advertising headed by

Donald B. Catling, and a litigation division headed by Daniel J. Murphy.

The FTC sets up a new bureau of restraint of trade, which will handle all anti-monopoly work, with Joseph E. Sheehy as the head man.

The investigation of anti-monopoly cases will now be coordinated with the trial of these cases.

Song Is New Year's Project

Federation of New York Insurance Women's Clubs held its annual convention at Binghamton. It was decided

that the project for the coming year would be a federation song. New officers elected are: President, Ethel Stevens, Buffalo; vice-president, Helen Buerger, Schenectady; recording secretary, Ruth Wright, Syracuse; corresponding secretary, Lorraine Bristow, Buffalo; treasurer, Bernadine Cox, Auburn. There were 300 at the banquet.

Grays Harbor County (Wash.) Insurance Agents Assn. held a dinner meeting with employees of the member agencies as guests.



The Grand Old Lady of the Fleet achieved in World War II a most remarkable ship history. Badly damaged initially at Pearl Harbor, the PENNSYLVANIA was the only battleship to take part in every amphibious operation from Attu to Lingayen. During nearly thirty years of unfailing service, the ship compiled an illustrious combat record. A survivor of the Bikini atomic bomb tests, she was sunk off Kwajalein as unseaworthy in 1948. So ended the gallant history of "a happy and good ship."



125th Anniversary

Founded 1825 by one hundred prominent local business men, THE PENNSYLVANIA was the second Philadelphia company, organized to engage in fire business exclusively. Through the years the company has grown steadily and has participated liberally in the development of fire insurance. From the very beginning it has met all losses with characteristic promptness. Today it is financially stronger than ever, and enjoys an enviable reputation for integrity and fair dealing among agents and insured alike.

THE PENNSYLVANIA FIRE INSURANCE COMPANY

ESTABLISHED 1825 ON INDEPENDENCE SQUARE, PHILADELPHIA, AND ON THE SAME SITE EVER SINCE

Hemisphere Lunch at New York Is Successful Affair

NEW YORK—About 400, many of them top company executives, attended the Hemispheric Insurance Day luncheon here. At the same time, the business in other countries of the western hemisphere also was observing the day either with luncheons or dinners. There was a sprinkling of representatives from Latin America at the affair in New York, and Osvaldo Riso, Seguranc Nacional de Seguros of Rio de Janeiro, spoke briefly.

John A. Diemand, president of North America, presided and spoke. Other speakers were Albert F. Nufer, U. S. representative on the Inter-American Economic & Social Council and James S. Kemper, chairman Lumbermen's Mutual Casualty. It was the fourth anniversary of the first hemispheric insurance conference under sponsorship of the U. S. Chamber of Commerce.

Head Table Dignitaries

Those at the head table included Frank A. Roberts, vice-president Glens Falls; J. Harry LaBrum, Philadelphia attorney; Harold M. Stewart, executive vice-president of Prudential; Joseph F. Matthai, executive vice-president U.S.F.&G.; John T. Byrne, president, Talbot, Bird & Co.; Daniel R. Ackerman, chairman Great American; L. C. Richardson, Jr., secretary American International Underwriters; C. A. Loughin, vice-president of Home; Chase M. Smith, secretary National Retailers Mutual; Walter L. Hays, president American Fire & Casualty; Lendon A. Knight, general attorney Royal Neighbors, and A. L. Kirkpatrick, manager U. S. chamber insurance department. Thomas E. Braniff, insurance and avia-

tion executive, Dallas, was unable to attend.

Occasionally someone asks what has been accomplished by all of the hemispheric insurance meetings that have been held, Mr. Diemand said. They say they are not interested in writing insurance abroad and see no reason for participating in the work of the conferences. He suggested that it is necessary to take a broader look at the whole project than this attitude would indicate. This is a long range program and one that is vital to the whole economy of the country, he declared.

Heading off Government

"You can't expect to get the same quick results as you do when you plant your company in a new agency or open up a branch office," Mr. Diemand commented. "We are not out to get business. Rather we are seeking to develop a better economic and social atmosphere."

One aim of the conference has been to head off further government encroachment into insurance, and this has reached much greater proportions in some Latin American countries than it has in the U. S. In Mexico, for example, in 1948 it was found the Mexican government owned and operated two insurance companies, one life and one fire and casualty. Since the conference there and the loud public expression and the demands of the insurance business that government stop taking over the field of private insurance, the Mexican government has sold its life company to private interests.

In Brazil in 1947 Brazilians were deeply concerned over a law passed to become effective Jan. 1, 1949 which would empower the government to take over workmen's compensation. Impetus for that movement came from a committee of the International Labor Office headed by a U. S. government official. The committee was scheduled to meet in Rio soon after the hemispheric in-

surance conference. Because of efforts by the insurance people the effective date of the law was postponed with the possibility it might later be repealed. No foreign company had been admitted to do business in Brazil for 10 years prior to the meeting; a few months after that one of the largest U. S. fire companies was licensed by the government there. These examples show that there have been some tangible results from this effort, he said.

James S. Kemper Talks

Congressional acceptance of the principles embodied in the International Trade Organization inevitably will impose socialism upon the American people, Mr. Kemper charged. It contemplates a planned world. He urged a rededication to the ideals of individual dignity and independence and suggested devotion to preservation for the individual of the right to say that he is not a chattel of the government, is not dependent on paternalistic hand-outs, is not beholden to any bureaucrat, is not for sale, and believes the people should run the government and not vice versa. The alternative, he thinks, is slavery.

Widespread observance of Hemispheric Insurance Day should remind everyone in the western hemisphere of the contribution of insurance to individual security and economic stability, Mr. Nufer said.

Mr. Nufer noted that studies presently are under way for papers to be presented at the third hemispheric conference on such matters as practical fire and accident prevention programs, cooperation in improving underwriting techniques, loss adjustment practices, etc. U. S. insurers have provided Latin American insurance technicians with opportunity to observe U. S. underwriting methods. He cited as an example that at the request of Uruguay arrangements were made last year to have a Uruguayan insurance official spend a year in the U. S. studying life actuarial techniques and he is presently at Prudential doing this. This is a good example of the way in which private enterprise is successfully extending technical assistance throughout the hemisphere. Charles S. Ashley, resident vice-president of Maryland Casualty in New York, did a fine job as chairman of the luncheon committee.

Special Session Elicits Alarm

The announcement by Gov. Langlie that a special session of the Washington legislature will be called soon, was greeted with speculation among insurance men as to the possibility of having to oppose adverse insurance measures.

Although the session was called to deal with the state's strained financial condition, a number of years ago at a similar session called to enact the present liquor law, the Washington State Grange slipped through a bill setting up a state fire fund. That measure was finally vetoed by the governor.

New Appleton School Plan

APPLETON, WIS.—A new fire and extended coverage insurance plan that will eventually reduce the 55 policies now in effect to one, to be carried through the Appleton Insurance Board, has been approved by the board of education. The board has been cooperating with the insurance committee and a joint committee will handle the details. The commissions will be prorated among all local agents. At present the school board carries \$3,161,700 on 15 buildings and their contents, with an additional \$708,000 builder's risk on the new Jefferson school.

Murphy Co. Holds Open House

The J. E. Murphy Co., Minnesota general agents, held an open house at Minneapolis May 11, the fourth anniversary of the firm's organization. More than 300 guests attended, including A. C. Richter of the Minnesota insurance department.

See Hopeful Signs in the Aviation Field

Aviation insurance people are hopeful that an improved underlying situation is developing in their field. The business is slow right now but the type of plane ownership is improving. Fewer units are being sold but planes are getting into hands that are better able to maintain and operate them correctly than was true in the immediate post-war period.

Just after the war many small planes were sold to syndicates of young men who practiced flying as a hobby. Very often owners had to budget closely and they skimped on maintenance. Now the emphasis is more on planes for transportation than for hobbies. An increasing number of 4-passenger planes are being purchased by companies for industrial use and they have the wherewithal to keep them in good shape and to employ skilled pilots. There is some improvement in loss ratio and the underwriters are hopeful that a sounder condition is developing.

Continue Veterans' Housing Rate Exemption in Cal.

Governor Warren of California has signed Senate bill 17, sponsored by the state's department of veteran affairs, to exempt the renewal of the present contract on insurance of properties being purchased through the veterans department from the application of the anti-discriminatory provisions of the California rate regulatory law. The bill is effective July 15.

This particular coverage, which was first written some years ago on homes and farms purchased under a state-sponsored loan to veterans, is written through a number of stock companies under a master policy/or contract at a flat rate of 75c and includes fire and an extended coverage endorsement for a five-year term. Under the setup the purchaser—the veteran—is given the option of designating his own agent or broker to place the business, as well as naming in which of the participating companies the business is to be placed. If the veteran does not elect to name a company or a broker, then the coverage is placed at the discretion of the veterans department. All business, however, is placed in one of the companies working under the master policy.

The present master policy terminates at the end of 1950, and the question has arisen as to whether or not a continuation of this contract is a violation of the state's regulatory law. To assure that the continuation of this arrangement will be legal, the veterans department sponsored SB. 17.

Under it, admitted insurers are hereby expressly authorized to enter into agreements with the department of veteran affairs with respect to furnishing of insurance covering property purchased from the department and as the act of 1943, "at special rates and forms for such insurance as are determined by the director of veteran affairs to be reasonable." The use of such rates and forms by insurers pursuant to such agreements is expressly permitted, and the provisions of rating laws are not applicable to them.

Plan Four F.U.A.P. Courses

Four insurance courses have been scheduled for the summer classes of the Fire Underwriters Assn. of the Pacific to begin June 6 at San Francisco. The classes and instructors are: Office procedure and orientation, John Henry Martin, Standard Forms Bureau; tariff rules, John M. Tucker, Chubb & Son; business interruption and other time element forms, Philip F. Kingsley, Fireman's Fund; preparation and examination of loss papers, L. M. McKinley, General Adjustment Bureau.

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Card Completed for Women's Rally at Boston

The complete program for the annual convention of National Assn. of Insurance Women has been prepared. The meeting will be at the Copley Plaza hotel, Boston, June 14-16.

The executive board will meet for three days before the convention. Greetings at the opening session will be extended by Katherine O'Brien of the Massachusetts association. The welcome address will be given by Mayor Hynes of Boston and the response will be delivered by Mrs. Clarkie King, past president of N.A.I.W.

The committee reports will be given the first morning and at the luncheon past presidents and presidents of affiliated clubs will be honored. Miss Alma Ayre, president of the Massachusetts association, will preside at the luncheon at which Maurice G. Herndon, Washington representative of National Assn. of Insurance Agents, will talk on "The World In the Middle." There will be a business session in the afternoon.

The second morning will start with a sight-seeing tour of Boston and suburbs, and at the dinner short talks will be given by Gov. Dever of Massachusetts and Commissioner Harrington. There will be a business session in the evening.

The new officers will be elected on the third morning and the lunch that day will be in honor of second vice-presidents of the affiliated clubs, with Miss Mary Gantill, second vice-president of the National association, presiding. A cocktail party sponsored by Royal-Liverpool group will precede the banquet, at which the new officers will be installed by John C. Stott, past president of N.A.I.A. The speaker will be Joseph Martin, Republican representative from Massachusetts and House minority leader.

Package Policy Offered By Kansas City F. & M.

A new package type policy for residence fire, liability and burglary coverage is announced by Kansas City Fire & Marine. It is captioned "Residence Fire and Casualty policy" and is for the present being offered only in Kansas, pending filing in other states where the company is licensed for casualty business under its multiple line charter. It is designed to provide in one policy fire and E.C. on dwelling and household goods, residence burglary (break-in) coverage, and comprehensive personal liability. However, any one of these may be written on the form, leaving an opening for the agent to do additional selling later. The policy is complete for all coverages, as it is not necessary to attach any forms or endorsements. All coverages may be written for three-year term at 2½ times the annual premium.

This inaugurates the expansion of Kansas City F. & M. into additional casualty lines. The company now offers facilities for writing fire and allied lines, automobile casualty, general liability and burglary and plate glass. Until now the casualty department limited its writing to automobile liability, property damage and medical payments. It is planned to expand even further in the near future.

Selling Agent to Public

A full-scale magazine advertising campaign will be started by North America next month. N. W. Ayer is the agency. Advertising will begin in the Saturday Evening Post June 17 and in Life June 26. Frequent insertions of full-page black-and-white advertisements are scheduled during coming months for the Post, Life, Look, Collier's, Better Homes and Gardens, National Geographic and American Home. Addi-

tional advertisements explaining company policies and principles to agents and brokers will be placed in insurance publications.

The general campaign will fill a need uncovered by a nation-wide survey which pointed up the fact that the average member of the public does not fully realize the many valuable services an agent provides. The new campaign will go "all out" in selling the agent to the public.

Walter J. Feldmann, Chicago inde-

pendent adjuster who temporarily left the business, has reentered the field and is now located in room 430 of the Insurance Exchange building.

Fire Association Advances R. G. Shepard to Secretary

Raymond G. Shepard, marine superintendent of agencies, has been advanced by Fire Association to secretary. He entered the marine field in 1930, became a special agent in 1936 and joined Fire Association in 1941. Before going

to the head office as marine superintendent in 1947, he was in charge of operations at Newark. He will supervise all classes of business written in northeast-ern area.

Increase Flint Park Cover

FLINT, MICH.—The recreation and park board here voted to increase insurance on municipal properties under its jurisdiction. A recent survey valued insurable properties at \$1,179,600, an amount \$129,600 more than the insurance carried.

ADT Automatic PROTECTION SERVICES

...STAND
CONSTANT GUARD
TO PROVIDE
MAXIMUM SECURITY
AND
SUBSTANTIAL
ECONOMIES

AUTOMATIC
FIRE DETECTION
and
ALARM SERVICE

SPRINKLER
SUPERVISORY
and
WATERFLOW
ALARM SERVICE

BURGLAR
ALARM
SERVICE

AUTOMATIC
HEATING and
INDUSTRIAL
PROCESS
SUPERVISION

ADT

Alert businessmen are saving money and getting better protection for their properties by employing ADT Automatic Protection Services.

Whether your premises are sprinklered or unsprinklered, the appropriate ADT Service will detect and report fires automatically.

ADT Burglar Alarm Service automatically summons organized response in case of unauthorized entry.

Heating systems, and many industrial processes, are electrically supervised to automatically detect and report mechanical failures and other dangerous conditions.

We shall be glad to explain how ADT automatic services can provide better protection—at less cost—for your particular property.

WRITE FOR BOOKLET
"PROTECTING LIFE AND PROPERTY"

155 SIXTH AVENUE, NEW YORK 13, NEW YORK

Jeffries Reviews Ohio Action on New Forms of Coverage

COLUMBUS, O.—Action taken by the Ohio department on several proposed new forms of coverage, most of which have been disapproved, was reviewed by L. U. Jeffries, warden of the department, at the buyers and executives conference here Tuesday, sponsored by Insurance Board of Columbus.

He outlined a proposal for writing properties of metropolitan housing authorities on an entirely new basis, with no coinsurance clause and no pro rata distribution clause, although the properties would be written blanket. "So far we have not permitted such writing in the state," he said. "It is our feeling that this is unfairly discriminatory."

"There was a proposal that large public utility properties, which are uninsured at the present time, be written on a deductible basis for fire insurance with a judgment rate being used. We have not permitted the writing of this form in Ohio because we have a feeling that it is unfairly discriminatory."

"We also have a proposal for the writing of international coverage on all types of personal property of large manufacturers, regardless of where located, such coverage to cover inventories, motor vehicles, and to cover loss from all perils, without the use of a composite rate. We disapproved this and we understand that other states have now reversed their former stand and disapproved the form."

Fire Legal Liability Situation

"Due to the fact that fire and casualty insurance companies do not have multiple line underwriting powers in Ohio, we have had much difficulty with the problem of which type of company should write fire and explosion liability insurance. We have lately issued bulletins reading as follows:

"A fire insurance company only may write fire and explosion legal liability protection to cover property in the care, custody or control of the insured."

"A casualty insurance company only may write fire or explosion legal liability protection to cover property not in the care, custody or control of the insured."

"At the present time there is pending a proposal for a comprehensive liability and named peril personal property floater policy for householders. It is very difficult in this case to determine what is the proper rate. Again the problem is raised of computing a composite rate."

"The proposed multiple location plan for the writing of inventories on an interstate basis, is before us. This has been referred to as the Escott plan. A hearing will be held by the Ohio department within a few days."

"There is pressure for Ohio to modify



PERSONALITIES AT MEETING OF AMERICAN ASSN. OF INSURANCE GENERAL AGENTS AT EDGEWATER PARK, MISS. PICTURES BY HARRY H. FULLER, DEPUTY U. S. MANAGER OF ZURICH:
From left, H. Benson Ford and Mrs. Ford, John W. Farmer and Mrs. Farmer, of the Ford-Lemmond general agency of Atlanta; William Overton and Mrs. Overton of the Johnson-Overton general agency of Birmingham and J. D. Helms of Jackson, Miss.

its position on the installment payment of fire insurance premiums on policies written for terms of longer than one year. Under the old fire insurance rating law such plans were disapproved by the superintendent of insurance and he was upheld by the state supreme court. It is still our position that such plans are unfairly discriminatory. I have a theory that if a rating schedule is based on one year, unfair discrimination cannot be avoided if there is any provision for the installment payment of the premium. My thought is based on the legal doctrine that the exposure to loss in an insurance policy is not divisible into periods of time."

Other speakers were E. H. O'Connor, Insurance Economics Society; Thomas O. Nuckles, state agent of Hanover Fire, and James C. O'Connor, editor Fire, Casualty & Surety Bulletins.

Va. Turns Thumbs Down on Annual Payment Plan

RICHMOND — Virginia state corporation commission has dismissed, without prejudice, the petition of General of Seattle for the privilege of writing fire insurance on the annual renewal plan. The question was submitted for adjudication through Virginia Fire Insurance Rating Bureau with a recommendation of the bureau's executive committee that it be disapproved. The opinion expressed the belief that there is not adequate grounds for believing that the scheme would work satisfactorily. It stated that the information submitted to justify a deviation is "wholly inadequate."

Mich. Department Budget Cut

LANSING, MICH.—The Michigan department's budget for the coming fiscal year is due for a substantial reduction under the omnibus appropriations bill prepared by finance committees of both houses.

The commissioner's salary of \$7,500 would be continued but provision for other salaries and wages would be cut from \$171,727 to \$162,415; for contractual services, supplies and materials from \$58,970 (\$23,000 of which was to finance a reprinting of the revised insurance code) to \$29,375, and equipment from \$2,500 to \$1,588.

Commissioner Forbes recently closed the department's Detroit office in anticipation of the economy move.

Rhode Island Loses Court Test on Ind. License

INDIANAPOLIS — The federal court here Tuesday dismissed the action for an injunction that was brought by Rhode Island Insurance Co. to compel Commissioner Viehmann to renew its Indiana license. Mr. Viehmann did not renew the license on May 1. The three-judge federal court held that the company has avenues of relief in the state courts.

Rhode Island immediately filed a motion in the Marion county court for a review of the insurance department proceedings. The state was represented by the attorney general's office while Rhode Island's counsel was McHale, Arthur, Patrick, Meyers & Cook.

It turns out that Rhode Island had not asked for a hearing on the non-renewal of license and Mr. Viehmann offered to conduct such a hearing immediately on Tuesday but that was not accepted.

RENEWAL REFUSED IN VA.

RICHMOND—The Virginia corporation commission has denied the application of Rhode Island Ins. Co., for renewal of its license in Virginia for the year beginning May 1.

Graduates 500th Student

North America's school for agents has now graduated its 500th agent.

The school opened less than three years ago. No. 500 is Henry J. Yeager of Mellinger & Davies at Lancaster, Pa. Thirty-three other students graduated with Mr. Yeager. The diplomas were presented by John A. Diemand, president of North America.

Dayton Board Fetes Retiring Fire Prevention Chief

DAYTON—Dayton Fire & Casualty Underwriters presented Reginald Kurfis, who is retiring after 16 years as chief of the city fire prevention bureau, with a farewell gift at its monthly meeting this week. Chief Kurfis, who will leave for Florida in a few days took a bow and thanked the insurance men for their cooperation during his service.

J. C. O'Connor, Cincinnati, executive editor "Fire, Casualty & Surety Bulletins" of THE NATIONAL UNDERWRITER, discussed recent form changes and reviewed developments in disability benefit laws and the threat of state automobile compensation funds.

The new officers of the Dayton board took over at this meeting. They are J. B. Goetz, president; Raymond Kern, 1st vice-president, and John Olt, 2nd vice-president. Bradley Schaeffer remains secretary.

Am. Surety Ups Dividend

American Surety increased its semi-annual dividend 25 cents to \$1.50.

Paschall Retires in Tenn.

After more than 30 years with Royal-Liverpool Hillyard Paschall, Tennessee state agent, retires June 30, and will be succeeded by J. M. Hoffman, Jr., who is being transferred from Memphis back to Nashville.

For the past year and a half Mr. Hoffman has served as assistant to the state agent, supervising in west Tennessee.

Globe and Rutgers Fire Insurance Company

The Insurance Company
of the
State of Pennsylvania

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Fire Assurance Company

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Little Insurance Loss Expected from Winnipeg Flood

The Winnipeg flood will not represent much of an insurance loss compared with the total property damage done, according to Canadian insurance men. What there is will come via personal property floaters. There was plenty of warning of rising waters and a great deal of property was evacuated.

Few claims have come in so far, but the P.P.F. is much more widely sold in Canada than in the U. S., largely as a result of the lower cost, and one insurance man estimates that 30% of residents of the better residential areas would have such floaters. The backing up of sewers may add to the personal property damage.

Auto Loss Negligible

The comprehensive physical damage automobile policy that is written in the United States never has been introduced into Canada, though plans had been made for its introduction within about 60 days, and there is not expected to be much if any automobile insurance loss as a result of the flood. Canadian companies do sell some additional coverages over fire and theft, but these are named perils and do not cover flood. According to Canadian insurance men, practically all automobile physical damage business in Canada is written for fire and theft only. There is available a special endorsement which covers flood damage but very little has been written.

The supplementary coverage, which is what they call the extended coverage in Canada, does not cover flood losses.

Flood conditions have caused a number of companies to suspend temporarily operations.

Run Afoul of Boiler Law in All-Risk Cover

The Chubb & Son filing of a plan of high deductible coverage and its all-risk dwelling policy has run into difficulties in Massachusetts. Second Deputy Commissioner T. H. O'Connell voices the belief that Federal of the Chubb & Son organization should request the rating organization to make this filing and if the bureau declines to do so, recourse may be had to the section of the rating law that provides for appeal to the insurance department.

The all-risk policy provides coverage on explosion of boilers that is not contained in extended coverage No. 44 and hence, Federal must employ a resident licensed boiler inspector, this being required by the law governing steam boiler insurance.

Brokers Assn. Directors Hold St. Louis Rally

Directors of National Assn. of Insurance Brokers this week are holding their annual meeting at St. Louis. George S. Middleton, president, Chicago, made the welcome address and presided over the business sessions.

Speakers are M. J. Birkholm, San Francisco, on "The American Surplus Line Market"; W. Shepard French, San Francisco, on "The Return Commission Problem"; Edmund T. Delaney, New York City attorney, on the legal aspects of legislative proposals for statutory regulations of commissions, and Lawrence Pomeroy, also a New York City attorney. Elmer Sawyer, counsel for N.A.I.B. and National Assn. of Casualty & Surety Agents, was scheduled to speak but could not attend because of illness.

Reviews Hospital Inspections

"More hospitals will be safer places in which to lie helpless when action follows the safety to life inspections now underway," declared Perrin C. Cothran, chairman National Board's hospital inspection committee, vice-president of Phoenix, at

a meeting of National Fire Prevention Assn. at Atlantic City.

Mr. Cothran pointed out that there are 7,846 hospitals listed for inspection and that 2,375 have already been inspected. The program will be completed within a year. More than 1,700 trained inspectors and engineers have been assigned by fire and casualty companies to assist hospital directors make their buildings safer.

New Los Angeles Club

Fire Underwriters Forum of Los Angeles has been organized and will conduct its first meeting June 7 at the Hayward hotel.

The group is composed of men engaged in fire underwriting. There will be regular monthly meetings with talks on the various forms of fire coverages.

Among the organizers are A. S. Bel-lows, Glens Falls; F. L. Unthank, London Assurance; W. J. Goldwater, America Fore, and G. H. Williams, Fireman's Fund.

Millers Mutual Names Sayler

John P. Sayler has been named manager of the agency service division of Millers Mutual Fire in the California department. Mr. Sayler from 1936 to 1941 was safety engineer for North

American Aviation, and later did similar work for the Kemper companies. In 1947 he was appointed manager of the fire department of National Retailers Mutual in southern California.

Home Promotes Partridge

Home has transferred William G. Partridge, assistant manager at Ontario, to the British Columbia office at Vancouver. He has been promoted to associate manager.

Mr. Partridge had 11 years' experience with Canadian Underwriters Assn., prior to joining Home in 1938 as a special agent. In 1940, was transferred to the marine department as special agent, and in 1946 he was promoted to assistant manager at Ontario.

Service Office at Spokane

National Union Fire has established a service office at Spokane, in charge of George W. Rolander.

N. Y. Dept. Examiners Elect

The Assn. of New York State Insurance Department Examiners has elected Solomon Bendet president; Edmund J. Pieret and William Karlin

vice-presidents; Miss Patricia Ryan secretary, Philip M. Levine treasurer. Former Deputy Carl F. Typermass and Associate Actuary Max J. Schwartz addressed the meeting on TDB.

Crafts to Address Risk Research Group May 25

James F. Crafts, president of Fireman's Fund, will address the May 25 meeting of Risk Research Institute of New York. His talk will be titled, "The Challenge of the Future."

E. H. Miller Back on Job

Edgar H. Miller, Illinois state agent of North British is back on the job after an extended absence due to injuries he suffered in an automobile accident at Champaign, Ill.

Mr. Miller was seriously hurt when his automobile crashed into a concrete abutment, but his recovery has been nearly 100% complete.

Insurance Women of Los Angeles will vote May 16 on this slate: President, Alta Duffy; vice-president, Eva Smith; secretaries, Irene Miernyk and Blanche Schmidt; treasurer, Mary Dickey. The officers will be installed June 27.



What policy takes care of this?

Be careful! There's more here than meets the eye! This is a tough question...

"While driving into town to have my dog clipped by a veterinarian, I see a friend walking and stop to pick him up. As my friend enters my car my dog attacks and severely bites him. What policy takes care of this?"

Comprehensive Personal Liability policy? Automobile Liability policy. Or some other policy?

Want to know the answer? Ask the Advertising Department for "True or False" #20. You'll be surprised.

CASUALTY • FIRE • MARINE

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ROYAL INSURANCE COMPANY, LTD. • THE LIVERPOOL & LONDON & GLOBE INSURANCE CO. LTD. • AMERICAN & FOREIGN INSURANCE CO. • BRITISH & FOREIGN MARINE INSURANCE COMPANY, LTD. • THE NEWARK FIRE INSURANCE CO. • QUEEN INSURANCE COMPANY OF AMERICA • STAR INSURANCE COMPANY OF AMERICA • THAMES & MERSEY MARINE INSURANCE COMPANY, LTD.

EAGLE INDEMNITY COMPANY • GLOBE INDEMNITY COMPANY • ROYAL INDEMNITY COMPANY

Texas Agents Elect Danvers

(CONTINUED FROM PAGE 1)

storm damage; protect property from further damage while waiting for adjuster." The "ad" is signed by the companies and the local agents.

The disaster plan of the Austin association was described by Mr. Parker. Like the plans drafted by field men, it calls for the loss committees of the field clubs, local agents, adjusters and representatives of local contractors to get together for the prompt handling of storm claims and, if necessary, set up a central clearing house. The Austin plan, however, uses a printed form that gives an estimate of the cost of repairs to be filed by a contractor. It was brought out that this may lead to misunderstandings, as the adjuster must take into consideration the factor of depreciation and other policy provisions, such as the deductible for wind-storm and hail losses.

Mr. Sherwood welcomed the interest being taken in proper loss adjustment work by local agents. Like others he stressed the public relations value of the prompt and equitable settlement of losses, especially in catastrophes, and attributed the success in several recent instances of handling major disasters to the cooperation given by local agents.

One suggestion made from the floor was that agents should send postcards to their policyholders notifying them of the name of the claim representative assigned to the loss.

Strong Speakers on Program

Convention speakers included: George B. Butler, chairman of the Texas board of insurance commissioners, who asked the agents to continue their cooperation with the board; Norman A. Chrisman, Pikeville, Ky., former N.A.I.A. executive committee member, who described the makeup and services of the National association; W. H. Brewster, manager automobile division National Bureau of

Casualty Underwriters, who discussed the "Youthful Driver Problem"; W. J. Rogers, regional manager in Dallas for the wage and hour division of the U. S. Department of Labor, who explained application of the wage and hour law to insurance; Ellis H. Carson, president of National Surety, on "Multiple Line Thinking"; Oscar Beling, superintendent agency systems department of Royal-Liverpool, on "How Proper Records and Forms Help Makes Sales and



DREX G. FOREMAN

Profit," and Joseph F. Leopold, southern manager at Dallas for National Tax Equality Assn.

Commissioner Butler dwelt on the value of trade associations. He urged

agents to get acquainted with legislators from their districts and discuss insurance problems with them.

The commissioner also took cognizance of some scattered criticisms of the board which has been called a "three-headed monster," and of a suggestion that only one commissioner should be named. "It is not my opinion at all," he said. "Each commissioner has power to act and each of us wants your advice and support. We cannot get along without it."

After describing the set-up of local, state and National association as "your insurance policy," Mr. Chrisman outlined the continuing need to train and develop leaders among men and women in the business "who are young in ideas and progressive. We need them to spearhead our trade association." He said the Texas association has enrolled the highest ratio of eligible agents of any state.

Preceding his talk Mr. Chrisman received a certificate of honorary citizenship presented in the name of Governor Shivers by Commissioner Butler.

Brewster on Youthful Driver

With accident statistics as a background, Mr. Brewster showed that age 25 is a reasonable breaking point in establishment of automobile liability rates. He explained that "while teenage and youthful drivers have quicker responses, the benefits from such reactions are offset by a spirit of daring, a willingness to take chances and a zeal for speed."

Mr. Brewster emphasized the value of driver education and training in high schools, pointing out how it develops "that most important factor of proper attitude towards the rights and safety of others." He also declared that parents should instill this proper attitude in their children, adding that the "primary responsibility for the present record lies with the failure of parents to carry out their duty." He admitted that higher rates for youthful drivers do not solve the problem, but said it is in line with the insurance concept of making each group "pay its own way." In time, he believes, the solution will be found through the combined efforts of teachers, parents, schools and safety groups.

Mr. Beling presented an interesting discussion on how duplicates of invoices can be used by agents to perform the three major bookkeeping transactions of their business—to give a list of accounts receivable, to keep a record of expirations, and to show accounts payable.

Mr. Leopold urged the agents to write "tough letters" to their representatives in Congress about wanting taxes equalized. He said he was particularly "angry" over the tax exemptions granted cooperatives, mutual insurance companies, and to the income-producing holdings of churches and colleges.

Newly elected directors are: Charles W. Owen, El Campo; Alphonso Ragland, Jr., Dallas, and James L. Randel, Wichita Falls.

Tennessee Board to Meet

NASHVILLE—Directors of Tennessee Assn. of Insurance Agents will meet here June 12 to make further plans for the annual meeting at Memphis in October, and to hear a report from Secretary-Manager George L. Goss on the membership drive which now stands at 119 new members for the year. John Bailey, Knoxville, will preside.

Wortman Joins La. Agency

B. E. Wortman, who has been a fire underwriter with General of Seattle for 22 years, has been named manager of the fire underwriting department of the Parkerson General Agency at Lafayette, La. He will be associated with Felix F. Kurz, formerly executive vice-president of General.

Midwest Storm Losses Mount

(CONTINUED FROM PAGE 1)

catastrophe bulletin No. 10 asks that companies provide appropriate information on losses in Illinois, Iowa, Kansas, Michigan, Minnesota, Missouri and Wisconsin.

Company loss departments experienced their peak-load of loss receipts on Monday. America Fore group that day received slightly more than 5,000 loss notices, the largest number in history. For the five work days May 8-12 and for Monday, May 13, America Fore averaged 3,900 notices a day, and the group expects a total of 30,000 losses.

Farm Writers Badly Hurt

The farm writing companies have suffered severely. Hartford Fire expects 25,000 claims altogether and National Fire 20,000. On this basis, it is thought that Home will aggregate perhaps 32,000 claims. Loyalty Group expects 18,000 losses, Aetna Fire, 8,000 (with little farm business in the territory), and Springfield F. & M. 10,000. Thus these seven company groups are anticipating—143,000 claims.

Few large losses have been reported. There are a number of farm barns and out-buildings blown down, but experience has shown that these are usually under-insured, and barn insurance losses ordinarily range from \$2,000 to \$3,000. The largest losses appear to be the destruction of two ore bridges at Superior, Wis. One of these bridges was insured for \$165,000.

A weather bureau map showing the main course of the storm reveals that it started at 7:30 a. m. May 4 in southwestern Colorado and ran east and northeast through western and central Kansas, southeastern Nebraska and northern Iowa, moving then through Minnesota into Canada. It was caused by an extensive low pressure area over Nebraska. Apparently the storm created other low pressure areas, one of them in central Illinois which brought a wind which swept the entire state and went north to Wisconsin. Other winds covered Texas and moved northeast, extending to Boston and to Maine. Losses are said to have been reported in Boston.

Hail at Dennison, Ia.

The only town that was severely damaged was Dennison, Ia., where hail accompanied the wind. Losses in other cities are no greater than might be anticipated in an ordinary windstorm. The greatest disturbance is in rural areas in Oklahoma, Kansas, Iowa, Nebraska, Missouri, Illinois, Michigan, Minnesota, Wisconsin. Some loss has been reported in Colorado, Texas, New Mexico and Arizona.

Some of the farm writing companies are so deluged that they have had to impress personnel from the underwriting and accounting departments to help process losses. Other companies have developed short cuts that eliminate typing, the one severe bottleneck in an emergency of this kind, and are able to process twice as many losses per day as previously.

Far Surpasses 1940 Disaster

As compared with the Armistice Day storm of 1940, the largest previous wind-storm disaster, the winds of May 5-6 will produce perhaps 2½ times more losses in number, and three times the dollar loss. Much of this difference can be explained by the fact that more extended coverage is sold today, and since 1940 there has been a sharp increase in replacement and labor costs. Loss men recall that the 1940 storm adjusted out for well less than an average of \$40, but none of them expect to get away for much less than \$40 this time.

It has been commented that by the time the situation is cleared up, it may develop that agents will have filed as many as 450,000 loss notices with their companies. This will not reflect, however, the total number of losses, since

AMERICAN BANKERS INSURANCE COMPANY OF FLORIDA

with pride presents

"BANCSURANCE"

the

PERFECT BANK-AGENT PLAN

for writing Physical Damage coverage

Under "BANCSURANCE" the agent receives a guaranteed commission that generally equals the standard "old-line" commissions under the Bank-Agent Plan, BUT IN ADDITION—THE AGENT PARTICIPATES IN A LIBERAL PROFIT SHARING, BASED UPON LOSS RATIOS, WHICH BUILD SUBSTANTIALLY HIGHER TOTAL COMMISSIONS ON BANK BUSINESS.

"BANCSURANCE" exclusive franchises are available to agents with volume Bank-Agent premiums. Write—wire or call us for particulars.

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in many cases there will be two or as many as 15 companies on a single risk and the agent will have notified each company.

At the same time, the loss departments are worried that there will be many losses on which they will get no notice until the proof of loss is submitted. This is a situation which formerly was of greater importance than it is today, since the agents have been educated to submit notices first; but in 1940 proofs of loss were still being submitted three months after the storm.

1950 Off to Bad Start

Wind losses in the middle west have been fairly extensive this year. There were bad storms in late March and early April preceding the May storm, and it is noted that if the freak weather prevalent throughout the area so far this spring continues, it might be that the companies will be in for further losses from wind.

Because the losses have come in in such overwhelming numbers, companies and adjustment firms are unable to tell exactly where they stand. It is felt that the peak was passed on Monday, and the Tuesday mails were down about 30%. It may be that the losses still outstanding will taper off sufficiently to go below the \$300,000 total, but this is very strongly doubted.

In Iowa, the losses are expected to run into several millions of dollars with some of the mutual companies to be severely hit. Harry Gross, Sr., chairman of Iowa Mutual Tornado, said losses filed with his company have exceeded anything in the organization's 60-year-history. He said his company will handle from 15,000 to 20,000 claims at a cost of from \$550,000 to \$700,000.

Mr. Gross reported that 75% of the claims are for roof damage. The company does about 80% of its business with farmers.

B. Rees Jones, president of Town Mutual Dwelling of Iowa, said his company had received 3,500 claims as of last Friday.

Western Mutual Fire as of Friday had received 2,000 claims.

Lloyds and other underwriters of wind catastrophe excess cover will pay a large portion of the loss. Many smaller companies have excess covers over \$100,000. Many mutuals were heavily involved and will call on excess insurers.

One of the big Iowa mutuals estimates it will have 15,000 losses.

There will be considerable casualty company loss, especially in plate glass. Des Moines appears to be the hardest hit in this respect. There was considerable damage to automobiles including glass breakage and tops crushed by falling trees and limbs.

Canadian Leaders Listed

According to the Canadian department, fire company groups operating in Canada which wrote more than \$2 millions in fire business in 1949 include: Royal-Liverpool \$6,202,415, Factory Mutuals \$5,027,851, Lloyds non-marine \$4,595,309, London & Lancashire \$3,760,956, Commerce Mutual \$3,364,975, Phoenix of London \$3,238,840, Commercial Union \$3,179,466, North America \$2,864,475, Continental \$2,782,875, Western-British America \$2,725,981, Massie & Renwick \$2,703,005, Elliott S. M. group \$2,542,970, Wawanesa \$2,469,624, Sun \$2,338,683, Hartford \$2,067,308.

F.I.A. Has Calif. Change

Factory Association has moved its Los Angeles office to larger quarters at 756 South Spring street. Fred T. Munch has been appointed special agent in southern California. He is a graduate of Illinois Tech and has had experience with the Chicago Board and Hartford Accident. He has been with F. I. A. for four years handling negotiation work and as office manager at Los Angeles.

Adjuster Schools Successful

Results for the first six months of the refresher courses for adjusters of the Pacific department of General Adjustment Bureau achieved are exceeding expectations, according to Harry J. Boyle, general manager at San Francisco.

Six courses have been given in four key cities to date, and more are planned for the immediate future. They included automobile, casualty and fire classes at San Francisco; inland marine at Spokane; a second fire school at Los Angeles and a second casualty school at Portland, Ore. Talks were given by 65 company executives to the 121 adjusters attending.

Tightens Auto Finance Rules

Finance companies providing insurance in Ontario on automobiles through subsidiary insurance companies are now required to note at the top of the policy that there is no third party liability when the coverage is excluded. According to the Ontario department, many assured who have been issued fire, theft and collision policies are not aware that they do not have B.I. and P. D. Organizations other than finance companies use a policy which contains all five coverages. When these policies do not cover

B.I. or P.D. the words "not covered" must be written in the appropriate column.

Spiller in New Post

Fred W. Spiller, who for the past six years has been in the local agency business, has become resident vice-president for the Pacific Coast states of American Plan Corp. His headquarters are in the Mills Tower building, San Francisco.

Going to La Porte, Ind.

Robert H. O'Reair on June 1 will resign as head of the insurance department of Union Bank & Trust Co., Kokomo, Ind., to manage the Dorland-McGill & Co., agency at La Porte, owned by his brother the late H. G. O'Reair. He was with that agency 1938-42.

Francis J. O'Leary, who has been a solicitor with Thomas McEvilly, Jr. & Associates, Cincinnati, has been appointed vice-president in charge of new business and is now a member of the agency.

George H. Cameron, local agent at Neenah, Wis., has been elected a director of the Twin City Chamber of Commerce, comprising Neenah and Menasha.

Is the Insurance Agent really "a Good Man to Know"?



SHOULD THE AGENT "SELL" MORE INSURANCE?

What Should We Do—
"Sell" People
or Help Them "Buy"?

One reason the insurance agent is "a good man to know"—he doesn't sell people insurance, he helps them buy!

There's a difference, of course.

Granted that by urging, by insisting, by making exaggerated claims, you can sell a man some insurance.

But people don't like to be sold! They like—and appreciate—help in buying.

That's why the modern agent studies the customer's needs and shows him how insurance will

meet those needs. The man who "knows" doesn't have to sell his customers—he helps them buy the protection they need!

Of course, we can't discard the techniques of good salesmanship. We still need the emotional appeal of safety for home, business, income; we still need to spell insurance with a "U" and not with an "I".

But in the final analysis it's his knowledge of human needs and how insurance can and does meet those needs which makes the insurance agent "a good man to know".



Ohio Farmers Insurance Company

Chartered 1848 . . Le Roy, Ohio

OHIO FARMERS INDEMNITY COMPANY



THE INSURANCE AGENT IS A GOOD MAN TO KNOW

STOCKS

By H. W. Cornelius, Bacon, Whipple & Co., 135 So. La Salle St., Chicago
May 15, 1950

	Div.	Bid	Asked
Aetna Casualty	3.00	97	99
Aetna Fire	2.20	58	60
Aetna Life	2.50	58	60
American Alliance	1.20	26	27
American Auto	2.00	50	53
American Casualty	.80	17 1/2	18 1/2
American (N. J.)	.90	20 1/2	21 1/2
American Surety	2.50	59	61
Boston	2.40	58 1/2	60 1/2
Camden Fire	1.15	22 1/2	23 1/2
Continental Casualty	2.50	74	75 1/2
Fire Association	2.50	66	68 1/2
Fireman's Fund	2.60	86	88
Firemen's (N. J.)	.60	22	23
Glens Falls	2.00	51	52 1/2
Globe & Republic	.50	12 1/2	13 1/2
Great Amer. Fire	1.30	29	31
Hanover Fire	1.60	35	36
Hartford Fire	2.50	117	119
Home (N. Y.)	1.60	36 1/2	37 1/2
Ins. Co. of North Am.	3.50	108	110
Maryland Casualty	.75	20	21
Mass. Bonding	1.60	30 1/2	32
National Casualty	1.50	33 1/2	Bid
National Fire	2.50	60	62
New Hampshire	2.00	45	47
New Amsterdam Cas.	1.20	39	40
North River	1.20	25 1/2	26 1/2
Ohio Casualty	1.20	56	Bid
Phoenix, Conn.	3.00	76	78
Preferred Accident	.5	5	5 1/2
Prov. Wash.	1.40	33	34 1/2
St. Paul F. & M.	2.60	97	99
Security, Conn.	1.60	34 1/2	35 1/2
Springfield F. & M.	2.00	45	46
Standard Accident	1.60	37 1/2	38 1/2
Travelers	12.00	467	473
U. S. F. & G.	2.00	55	56
U. S. Fire	2.00	65	67

*Includes extras.

Bargaining Places Insurers Between Devil & the D. C.

**Negotiated Cases
Plentiful, Inherent
Dangers Plentiful Too**

This is a paradoxical period in the mass coverages field. More pension and group insurance cases are on the fire than ever before, yet many thoughtful insurance men are far from happy. These men detect danger in the rapidly changing situation brought on by the admission of mass coverages as proper subjects for labor bargaining.

Some of the interstate employers, harried by variance in state compulsory disability plans and depressed by the prospect of more state plans, have endorsed a federal disability plan. A strong sentiment is being shown by a goodly segment of employers for taking care of pension demands through a federal pension plan. Most prominent among the proponents of this way is Charles E. Wilson, president of General Motors, who has been very vocal in his advocacy of a federal pension plan.

Examination of Mr. Wilson's reasoning shows why insurance people are worried. The G. M. chairman says that a federal plan would greatly reduce the pension problem for business men,

unions and employees. He maintains that inflexibility in the working force is what results from pension plans financed chiefly by employers. He comments, "If an important part of a workman's pension depends upon employment with a particular employer, all employers, both large and small, will have a great deal of difficulty in regard to employee separation with loss of pensions."

He goes on to say that employers will hesitate to employ middle-aged workers who may be out of work and middle-aged workers will hesitate to take better jobs with other employers when such opportunities occur for fear of losing an important part of their pensions. He maintains that this inflexibility will interfere with the necessary production and business adjustments and will limit the traditional free and competitive labor market.

Mr. Wilson emphasizes that private pension plans cannot effectively meet the situation in industries with inherently heavy labor turnover among numerous small employers. He cites the construction industry as an example.

He maintains that federal pensions must give more consideration to the requirements of the skilled, semi-skilled and white collar worker than is now provided in proposed social security changes before Congress. He comments that unless the benefits for higher paid workmen are made more nearly proportionate to the contributions of those of their employers, the problem of making up the discrepancy will create an extremely difficult situation for many businesses.

Wilson Poses the Questions

Mr. Wilson is laying bare the questions for which insurance people so far have been unable to provide answers. Men in the mass coverage field have been aware for some time of the in-



"I've got it! Let's borrow on our \$10,000 fire insurance policy."

flexibility inherent in pension plans established by employers insofar as the transfer of workers from one job to the next is concerned.

So far, private pensions, insured or otherwise, have not been geared to the facts of labor turnover, which has always been high in American industry. There has been the suggestion that the life insurance companies form a pension pool and clearing house through which credits could be transferred in the case of workers who switch employment. This suggestion, regarded as impossibly visionary a couple of months ago, now is viewed with more respect. Insurance people are embarrassed every day by requests from business men that some interchanging national pension system be worked out by the insurance companies. When the employers are told that insurance has no solution, they are inclined to join with their fellows who would have the whole matter taken care of through an expanded federal program.

The insurance companies have misgivings over their abilities to underwrite profitably and to administer many of the pension plans which are being thrown their way. The terms of many of these plans are within the control of labor unions. What the next round of demands will be, the insurance people do not know, but they fear that they and management may be taken for a ride.

There is the possibility that at least one of the large steel company pension plans will be underwritten by an insurance company. Several companies are now working on these cases.

Experienced pension men are even harder to find than experienced group men, who are at a premium. Many of the quotations that are being made on the great flood of pension business which is in the mill are based on comparatively little experience in the pension field.

Between the Devil And . . .

The insurance people recognize that no longer is the pension business an arrangement between insurance companies and enlightened employers. Mass coverages are getting out of control. Pensions are a national issue, many insurance companies are somewhat reluctant participants in underwriting negotiated pensions, yet they know if they refuse to do the job the plans will be self-insured or the federal government will be called in to fill the gap.

The market for the group disability coverages is even greater than for insured pension plans, because many a large corporation will self-insure its pension plan, yet the group disability provisions resulting from the same ne-

gotiation will be privately insured. In most of the labor negotiations during the coming year, group disability coverages, including hospitalization and medical payments, will be awarded to the workers and purchased, in the main, by the employers.

Even less than before can the various mass coverages be sliced up into arbitrary divisions, each handled separately. To the labor union and to the employer, group life, pensions and disability are all part of a single package. Pensions are in the forefront now. The other coverages are tied to the coattails of pensions in many labor negotiations as incidentals which are taken for granted.

Solution of the momentous problems in the employee benefit field in a way satisfactory to the insurance business calls for vision beyond the job at hand and for a species of all-industry statesmanship of a type that so far has been but little applied to this field.

SPECIAL AGENTS These Positions Open

Fire—Cook County	\$6,000
Bond—Michigan	6,000
Casualty—Indiana	5,600
Fire—Midwest	5,500
Boiler & Mach.—Canada	5,200
Fire—Illinois	5,000
Fire—Missouri	4,800
Fire—California	4,800
Casualty—Wisconsin	4,800
Fire—Nebraska	4,500
Fire—Iowa	4,500
Casualty—Illinois	4,200

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April Losses Go Up 11.4%

Fire losses in April were \$61,605,000, up 11.4% over April, 1949, according to National Board. April represented a decrease of 14.9% from losses reported in March, 1950.

For the first four months losses totaled \$251,236,000, up 3.4% over the first four months of 1949.

Comparative figures are shown herewith:

Jan.	58,823,000	57,826,000	63,000,000
Feb.	58,340,000	62,424,000	72,521,000
March	72,468,000	67,218,000	74,236,000
April	61,605,000		

Total 272,518,000 242,858,000 251,236,000

Two Deputies in Iowa Department Are Advanced

DES MOINES—Commissioner Alexander has appointed Sam Orebaugh first deputy commissioner, succeeding W. H. Sherin, who resigned recently to join Iowa Medical Service.

Mr. Orebaugh, who has been second deputy and counsel for the department, will continue as counsel. He has been with the department six years and formerly was a Des Moines attorney and a member of the Iowa legislature. He is a graduate of Drake University.

Donald Harlow, superintendent of deposits, was named second deputy. He will continue his former duties.

Okl. Rate Reduction

An average of 10% on automobile collision rates, filed by National Automobile Underwriters Assn., has been approved by the Oklahoma insurance board, effective May 15.

Buys Ariz. General Agency

Ray H. Rohwer has purchased the J. A. Wamsley general agency at Phoenix, Arizona, and in the future it will be operated under his name. The companies included in the general agency are London Assurance, Manhattan F. & M., London & Scottish, London & Lancashire, both fire and indemnity, and Central Surety.

Western Mutual to Build

Western Mutual Fire of Des Moines has purchased a site there for a new home office building.

Work will be started late this summer. The new structure will contain more than 30,000 square feet of floor space.

Insurance Accountants Assn. of San Francisco closed its spring course in practical accounting with a dinner for the 35 graduates.

Insurance Women of Beaumont, Tex., elected Vera Goodwin, R. A. Black & Co., president; Marjorie Daugherty, C. T. Smelker & Co. and Katrina Hanna, Hall & Hall, vice-presidents; Grace Dawson, John Gray Claim Service, secretary; Ethyl Melo, T. E. Moor & Co., treasurer. Mrs. Margaret Gwynn (Miss Margaret Stephens), retiring president, who has just been married, was presented a piece of luggage.

New Fla. Chief



Samuel W. Johnston, Jr., president of Florida Assn. of Insurance Agents. He was elected at the annual meeting at Ormond Beach to succeed J. Paul Lassiter of Leesburg.

Irving J. Maurer, treasurer Farmers Mutuals, was installing chairman of Insurance Women of Madison, Wis., and talked on "The Qualities Sought in Employees." New officers are: Gladys Barth, Rhodes agency, president; Loretal Baer, vice-president; Elmyra Sperloen and Pat McAfee, secretaries; Ona Sanford, treasurer. The Madison club decided to invite the Milwaukee and Madison clubs to its picnic July 15.

Mrs. Lenore Brady has been elected president of Insurance Women of Lincoln, Neb. She succeeds Mrs. Edna Miller. Mrs. Leona Reas is vice-president; Miss Billy Smith, secretary, and Miss Donna Plisek, treasurer. Delegates named to the national convention are Miss Ellen R. Deming and Miss Aurelia Plautz. Mrs. Beulah Julian was in charge of a quiz program on insurance.

Insurance Women's Assn. has been formed at Salt Lake City. Officers are Mildred S. Walker, president; Harriet Mang, vice-president; Bertha Mease and Dora Rushford, secretaries, and Beth Nordberg, treasurer.

Insurance Women of Denver celebrated guest night May 15 and new officers were installed. They are: President, Nellie Shelley; vice-president, Ruth Wildt; recording secretary, Phyllis Pavone; corresponding secretary, Ruth Boehner, and treasurer, Ruth Bradt. Nellie Shelley is a delegate to the National association meeting at Boston in June.

Wichita Blue Goose Auxiliary held its quarterly luncheon with Mrs. D. M. Quinn, president, in charge. Several auxiliary members from the Kansas Pond were guests.

The Insurance Women's Club of Detroit heard Robert T. Schaller, Detroit manager of Surety Assn. of Michigan, speak on fidelity and surety bonds. President Beulah Knorr was named delegate to the national convention at Boston.

Robert H. Webb has become associated with the Haynes & Amesbury agency of Pasadena. A son of the late L. H. Webb, partner in Conkling, Price & Webb of Chicago, Robert Webb was with that organization for a number of years before going to California because of his family's health a few years ago.

Rogers W. Troxell, vice-president of R. W. Troxell & Co., Springfield, Ill., has been elected a director of Springfield Chamber of Commerce.

Charleston Insurance Women are sponsoring the National Assn. of Insurance Agents automobile course at College of Charleston. Discussion leaders are J. G. Smith of McCants, Riley & Smith general agency at Columbia, and Eugene G. Johnson of Johnson & Johnson agency at Charleston.

Grant Van Doren, former Portland insurance man, has purchased a half interest in the Oerding agency, which maintains offices at Coquille, Myrtle Point and Bandon, Ore.

Frank Masnaghetti & Co. have sold their White Center, Wash., agency to John F. Stepleh, former King county park superintendent.

Policies Are "Goods" Says Wage and Hour Division

"Insurance policies are 'goods' within the meaning" of the revised wage and hour act, the wage and hour division has announced in an interpretative bulletin on general coverage of the act.

Workers covered include those engaged in "production" of such "goods" "for commerce" between the states.

VIRGINIA has amended the insurance code to permit the use of the National Board recommended format of fire policy.

WILLIAM GORMLEY, 65, confidential secretary of Commissioner Harrington of Massachusetts for the last 12 years, died at a Boston hospital.

Boston has named Donald F. Olsen special agent in northern New Jersey. After naval service he was with Fire Insurance Rating Organization of New Jersey.

Horne Mann Mutual Casualty of Springfield, Ill., which has been writing auto and A. & H. will add comprehensive personal liability, teachers' liability and O. L. & T.



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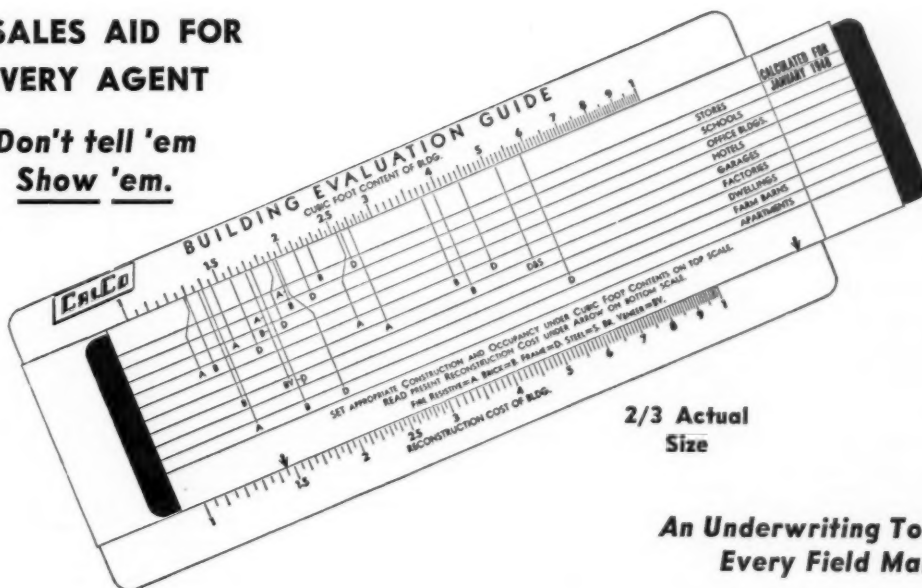
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NEWS OF FIELD MEN

Montgomery New Ohio Pond Head

Dwight D. Montgomery of Ohio Farmers was elected most loyal gander of the Ohio Blue Goose at the annual meeting at Columbus. Curtis F. Eagle of American is supervisor; John W. Weddell, Factory Insurance Assn., custodian; Fred I. Sipp, Hartford, guardian; Glenn F. Graf, Hanover, keeper, and A. M. Goodwin, Planet, welder.

There were nine new candidates initiated bringing the total membership to 635. The retiring most loyal gander is Rolf Rosenlund of Home. Tom Dye presided during the memorial service.

WANT ADS

Rates—\$12 per inch per insertion—1 inch minimum. Limit—40 words per inch. Deadline Tuesday noon in Chicago office—175 W. Jackson Blvd. Individuals placing ads are requested to make payment in advance.

THE NATIONAL UNDERWRITER

WANTED

SPECIAL AGENT for Southern Ohio territory. By well established Fire and Marine company. Man with Fire experience and rating knowledge preferable but not essential. Excellent opportunity to participate in expansion of companies' facilities and assure future. In reply please give full details. All information will be held in confidence. Address C-10, The National Underwriter, 420 E. Fourth Street, Cincinnati 2, Ohio.

FIRE FIELDMAN WISCONSIN

The Phoenix-London Group have an opening for a Fieldman for their Fire Companies in the State of Wisconsin. If interested, write giving full qualifications to Mr. Harold A. McKenna, Room 300, 209 South LaSalle Street, Chicago, Illinois.

PASADENA OFFICE SPACE

Office space available in Class "A" building on most important corner in Pasadena. From 200 to 20,000 square feet. Parking. Write T. D. Rogers, 9014 Wilshire Blvd., Beverly Hills, California.

ADJUSTER

Experienced in Fire and Allied Lines wanted by large independent adj. co. servicing the middle west. Excellent opportunity for good adjuster. Replies should state experience, salary expected, references. Address A-3, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

WANTED

COOK COUNTY FIELD MAN

by well established Chicago Branch Office writing fire and casualty lines. Excellent opportunity for man with experience and following in Cook County. In reply state age and qualifications. Replies strictly confidential. Address Z-99, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

Inland Marine Department Head; large nationally operating fire and casualty stock company; opportunities. Generous profit sharing retirement plan. State age, experience and education. Address A-5, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

NEW YORK GROUND FLOOR OFFICE SPACE

One short block from two big John Street insurance office buildings—111 and 116 John Street. 1100 square feet on first floor, 1100 square feet on second floor, also connected by private stairway. Newly-renovated building, air conditioned. Write to Holborn Agency Corporation, 144 John Street, New York 7, N. Y.

Following the business meeting there was a dinner dance attended by 150. A ladies auxiliary is now in operation and includes organizations at Cleveland, Columbus, Toledo and LeRoy.

Iowa Blue Goose, Fire Underwriters Assn. Elect

DES MOINES—Lee K. Taylor, Commercial Union, was elected most loyal gander of Iowa Blue Goose at the annual meeting here. R. W. Dunker, Glens Falls, becomes supervisor; C. S. Cathcart, Home, custodian; H. W. Wyant Great American, guardian; Glen Campbell, America Fore, keeper, and T. R. McDonald, Hartford Fire, welder.

Alex Young, Hartford Fire, Kansas City, deputy most loyal grand gander, installed the new officers at the banquet. Fred Meister, Travelers Fire, retiring most loyal gander, conducted the initiation of 15 candidates. Two of them are sons of pond members: John A. Hull, America Fore, whose father, John W. Hull, is state agent for that group and C. M. Zimmerman, whose father, H. G. Zimmerman, is head of the L. E. Ellis Co.

Iowa Fire Underwriters Assn. elected W. H. Brode, Fidelity-Phenix, president; Lee K. Taylor, Commercial Union, vice-president, and R. B. Maxwell, New York Underwriters, secretary.

Harry Alm to Michigan Field for Mich. F. & M.

Harry R. Alm, who has been serving as special agent in eastern Missouri for the Springfield group, has been appointed state agent for Michigan Fire & Marine in Michigan, excluding Wayne county and the Upper Peninsula, succeeding the late Robert E. Foster. His headquarters are in the Grand Rapids National Bank building, Grand Rapids.

Bruce E. Westerling, who has been with the Chicago office, has been appointed special agent for eastern Missouri, associated with State Agent C. H. Malin at St. Louis.

Seattle Pond Plans Annual

Seattle Blue Goose will hold its annual meeting June 23 at Sand Point Country Club. Seattle golfers will compete with the visiting British Columbia pond team for the first half of the A. Z. DeLong trophy. The Seattle team later in the year will complete the match by visiting British Columbia. At the meeting 25-year membership pins will be presented to 21 members.

So. Texas Pond Elects

Parker S. Presley of North British & Mercantile was elected most loyal gander of South Texas Blue Goose at the annual meeting at Houston. Seven goslings were initiated. In the absence of Most Loyal Gander George Godine, who has been transferred to New Mexico, Charles L. Beale, grand custodian, presided. The new supervisor is W. Harry Baldwin, General Adjustment Bureau; custodian, W. D. Potter, Cravens, Dargan & Co.; guardian, Oscar E. Finlay, Commercial Union; keeper, Stanley Spore, Fireman's Fund and welder, Wilbor Cecil, American. The regular meeting was followed by a mock initiation and a barbecue.

St. Louis Election May 22

The annual meeting and initiation of St. Louis Blue Goose will be held May 22. Preceding the dinner there is to be a social hour. A large class is to be initiated.

Ohio Field Meeting Plans

At the annual meeting of Fire Prevention Assn. of Ohio at Uniontown, Pa., June 15, Raymond M. Young of Phil-

adelphia will give a fire hazard visual demonstration. Films of the Delaware, O., inspection will be shown and the Sam Coldwell award will be made. Officers will be elected. The annual meeting of Ohio Fire Underwriters Assn. will be held June 14.

Langlois New Pine Tree Field Club President

At its annual meeting at Portland, Me., Pine Tree State Field Club installed Albert Langlois, America Fore, as president. George F. McFarland, Fire Association, is vice-president; George H. Brinley, Boston, secretary, and A. Wendell Anderson, Royal-Liverpool, treasurer. All officers are from Portland.

The public speaking course, directed by Ellis Perigo, New Hampshire Fire, Augusta, which recently was completed, proved so successful that a similar program is being planned for next fall.

Inaugurate Public Relations Program in Arizona

Arizona Field Men's Assn. is inaugurating a public relations committee and speaking class. At a special meeting reports on the Pacific Board public relations program were given by Frank Distel, Home, president, and R. W. Polk, St. Paul F. & M., vice-president. The classes will be conducted every Monday at a breakfast meeting.

The association has approved the purchase of a 16 mm. sound movie projector for showing of National Board films at civic meetings. The public relations program is expected to begin during August.

Crooks to Minneapolis

Walter B. Crooks has been appointed a special agent for Automobile in Minnesota, North Dakota and South Dakota, with headquarters at Minne-

apolis. He succeeds Paul A. Thomas, who resigned recently. Mr. Crooks graduated from Brown University, and served in the naval air corps during the war. He joined Automobile last August and recently completed the home office training course.

New Farm Field Men

Home has appointed Willard W. Gifford as a farm special agent in Kansas, with headquarters at Topeka.

Joseph W. Secrest is named a farm special agent in Mississippi with office at Jackson.

Virginia Field Club Elects

Guy R. Fridell, Hartford, was elected president of Stock Fire Insurance Field Club of Virginia at its two-day convention at Old Point Comfort.

J. Maurice Turner, American is vice-president; Albert C. Word, secretary; E. C. Eaton, III, G. G. Henke, Virginia F. & M.; E. R. Lightfoot, Security, and Shelton L. Lucas, Providence Washington, members of the executive committee.

To Discuss Agency Taxes

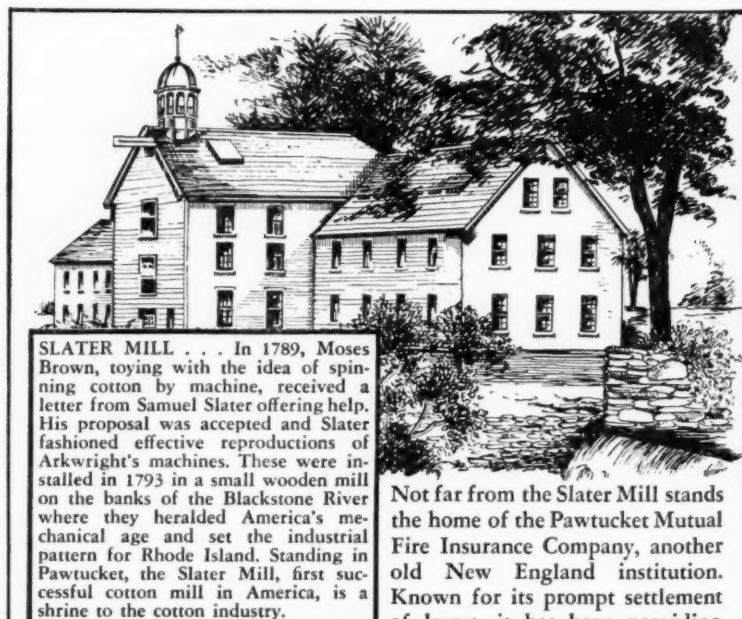
Joseph H. Williams, a C.P.A. of Wilkes-Barre, will discuss accounting and taxation in connection with insurance agencies at the May 23 meeting of Anthracite Field Club of Pennsylvania.

Sunflower Puddle Elects

The Sunflower puddle of Blue Goose at Wichita elected Nick Kleber, Phoenix of Hartford, big toad, succeeding John L. Vorse, Security; W. L. Scholander, St. Paul, pollywog; Ivan Snow, Underwriters adjusting, croaker, and Walter Basore, Northwestern National, bouncer.

Marshall, Mich., Inspected

The inspection of Marshall by Michigan State Fire Prevention Assn. May 9



SLATER MILL . . . In 1789, Moses Brown, toying with the idea of spinning cotton by machine, received a letter from Samuel Slater offering help. His proposal was accepted and Slater fashioned effective reproductions of Arkwright's machines. These were installed in 1793 in a small wooden mill on the banks of the Blackstone River where they heralded America's mechanical age and set the industrial pattern for Rhode Island. Standing in Pawtucket, the Slater Mill, first successful cotton mill in America, is a shrine to the cotton industry.

Not far from the Slater Mill stands the home of the Pawtucket Mutual Fire Insurance Company, another old New England institution. Known for its prompt settlement of losses, it has been providing

continuous dividend payments for over 100 years.



INCORPORATED 1848

PAWTUCKET MUTUAL

FIRE INSURANCE COMPANY

26 MAPLE STREET, PAWTUCKET, RHODE ISLAND

A. Thomas, Mr. Crooks, university, and corps during mobile last completed the

ard W. Gifford in Kansas, owned a farm with office

ELECTS

was elected France Field day convention can is vice-secretary; ke, Virginia security, and e Washington commit-

TAXES

C.P.A. of accounting with insurance meeting of Pennsylvania

ELECTS

Blue Goose er, Phoenix eding John Scholander, ow, Under- and Walter National

ELECTED

by Mich- ssn. May 9

was an outstanding affair. More than 300 persons attended the luncheon at which the speaker was R. E. Vernor, fire prevention department manager of Western Actuarial Bureau. There were 35 association inspectors on the job. At the evening meeting, new officers were elected.

Wright to Security in Cal.

Security of New Haven has appointed Wilbur O. Wright special agent in northern California, with headquarters at Sacramento. Mr. Wright has been with National Fire. He succeeds E. W. Nissen, resigned.

Ohio Farmers Golf Host

Ohio Farmers will be host at the annual golf party of Western Reserve Blue Goose May 23 at the Westfield Club, Leroy. The party will be limited to 80 persons. A. J. Danziger and Walter Weldon are co-chairmen.

The annual steak barbecue and outing of the Oakland puddle of San Francisco Blue Goose will be held at McKinley Park, Pleasanton, Cal., May 20. In charge is the puddle's big toad, Robert Morrill, Aetna.

The Sacramento puddle of the California Blue Goose is holding a lunch, initiation which is designated as "hatching degree" and buffet dinner dance at Yolo Fliers Club at Woodland, June 16.

MARINE

W. H. McGee & Co. Yacht Pamphlets Popular

W. H. McGee & Co. recently put out two pamphlets, one being "Your Yacht Insurance Policy," and the other "Let's Inspect Your Boat" that have proved to be exceptionally popular and W. H. McGee & Co. has been deluged with requests for copies.

The brochure on the yacht policy sets forth the facts of the coverage in forthright and easily understood style and typographically it is very easy to read.

The booklet on inspection runs to 14 pages and gives many practical suggestions. It also contains what is called an owner's check list wherewith yachtsmen may appraise the condition of various pieces of equipment and items of house-keeping. The booklet was written by Lou Eppel, senior vice-president of American Power Boat Assn.

Chicago Mariners Name Cornwall New Skipper

Mariners of Chicago have named William E. Cornwall skipper succeeding Frank J. Shields, National Union, who had been elected to that post for the coming year but resigned when he was transferred to the home office as marine manager. The club presented Mr. Shields a going-away present at a farewell party attended by a number of his non-mariner insurance friends.

Other officers of the club are James P. Murphy, manager for Universal, first mate; Andrew Degnan, Chubb & Son, purser, and Brice Draper, Hartford Fire, jimmy-legs.

The club's annual golf tournament and outing will be held September 2 at St. Andrews Country Club.

Marine Replacements Topic

W. P. Malpezzi, Underwriters Replacement Bureau, Los Angeles, spoke before Inland Marine Club of the Pacific at San Francisco. He discussed the problems encountered in replacing lost articles, how these replacements are finally made, and ways of effecting savings on loss adjustments.

So. Cal. Marine Men Elect

LOS ANGELES—Marine Underwriters of Southern California have elected these officers: President, G. E. Hampshire, Balfour, Guthrie & Co.;

vice president, Frank E. Kane, W. H. McGee & Co.; secretary, William J. Iliff, Fireman's Fund; treasurer, Neil Dunning, Marine Office of America.

The association will hold its golf tournament and installation dinner at Oakmont Country Club, Glendale, Cal., June 5.

Inland Marine Parleys Held

Ferd Hall, marine manager for Security of New Haven at San Francisco, conducted conferences on inland marine for the company's field men at Los Angeles May 1-2 and San Francisco May 15-16. A similar meeting was held at Seattle in April.

Bauer Named Marine S.A.

American has appointed William Bauer, Jr., marine special agent in North Carolina, with headquarters at Greensboro. He attended Princeton University and after army service graduated from American's advanced training class. He has had considerable experience in marine underwriting.

CHICAGO

TOLLACK NOW SETTLED

Hugh L. Tollack is now established with telephone, furniture, water cooler and other accoutrements in the new headquarters office of National Assn. of Insurance Commissioners in the Illinois State Office building at Chicago, which is at 160 North La Salle street. He is in room 1732 and the telephone number is Dearborn 2-1771.

Mr. Tollack has already received many calls and he is much impressed with the opportunities at Chicago to keep abreast of the times in the insurance world and to have visits with key people in the business and in supervisory ranks as they come and go. It is expected that more N.A.I.C. committee meetings will be held at Chicago than ever before.

ABBOTT GOES WITH RBH

E. Boynton Abbott has joined Rollins Burdick Hunter as an account executive. He started in insurance as an electrical engineer, later becoming superintendent of agents for Aetna at Philadelphia and manager there, then superintendent of agents for Zurich and assistant to the secretary of Fidelity & Casualty. In 1937, he went with the Kemper group, where he became vice-president supervising sales in 1943.

MID-WEST BUYERS HEAR FRY

F. C. Fry of F. C. Fry & Associates is addressing the May 18 meeting of Mid-West Insurance Buyers Assn. on "Various Factors in Determining Property Insurance Values."

NEW YORK

P. W. MAKES N. Y. CHANGES

Providence Washington has moved its metropolitan fire counter to its own office at 79 John street, New York, where it will be integrated with the other operations.

Providence Washington, formerly represented through the Wallace Reid General Agency, plans to expand operations when new quarters at 59 John street are available.

COOPER JOINS WEGHORN AGENCY

Charles T. Cooper, who has been handling inland marine production for Automobile at New York City, has joined the John C. Weghorn agency there.

R. N. Olofson Expands

Richard N. Olofson Co. of Minneapolis has opened a southeast Minnesota branch in the 100th First Avenue building Rochester, with Ray E. Hansen as manager. He has been with the Olofson Co. at Minneapolis six years and had a number of years of adjusting experience prior to that.



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Shotwell Pacific Board President

(CONTINUED FROM PAGE 6)

or wrong was established long before there were any laws at all."

Mr. Ellis commented on another problem, "some well-founded rumors about another element of competition, namely, that of excess commissions."

Here again the board has no control over what commissions its members pay.

Mr. Ellis noted companies cannot agree among themselves as to what commissions they will pay. Nevertheless, it is fundamental that the payment of commissions beyond what is a reasonable scale and for which allowance has been made in the rate can lead to demoralization and difficulty not only for the transgressors, but for the entire business. If excessive commissions can be paid at current premiums, rates should be reduced. The public is entitled to befitting consideration and must not be asked to pay a larger premium on any class of business that will permit the

payment to producers of commissions beyond those which are recognized as fair and equitable or the realization of a profit to underwriters that is out of reason.

Since the midyear meeting the actuarial and research committee has considered some 60 subjects originating either from Pacific Coast sources or

California Packing Corp. insurance department for 2½ years and prior to that was with Cosgrove & Co.

During the war, Mr. Ball served in the navy. Before his service, he was with America Fore.

1,000 Statisticians Hold Big Rally at Boston

(CONTINUED FROM PAGE 4)

the change never copy the procedures of another company. This is a hard rule to follow, and he said his company has broken it to its sorrow. The trouble with taking over procedures and forms from another company is that no one will ever get to the bottom with figuring how the full pattern fits together until the procedure is in operation. Then it will be too late.

CASUALTY SESSION

Speaking at the casualty session, presided over by E. Shaw Skilings, Allstate, J. A. Mills, vice-president Lumberman's Mutual Casualty, described a formula used by his company to determine unallocated loss extents and distribution method. Mr. Mills said the formula can be used to determine unallocated loss expenses by risk, producer, state, auto insurance company, policy period, accident, calendar. He pointed out that a formula having such a degree of utility involves deliberate compromises between the desire for simplicity and desire for accuracy.

An interesting paper on "Human Reactions to Standards and Controls" was given by John F. Glover, associate professor of business administration at Harvard University business school. Mr. Glover pointed out several ways in which the setting up of standards, controls, budgets, etc., can effect the morale and organization of a company.

He mentioned a resistance to initiating some of the statistical man's new ideas from company superordinates and observed that lower-level supervisors may be so unsympathetic with standards set for his people that he will take sides with them against the company.

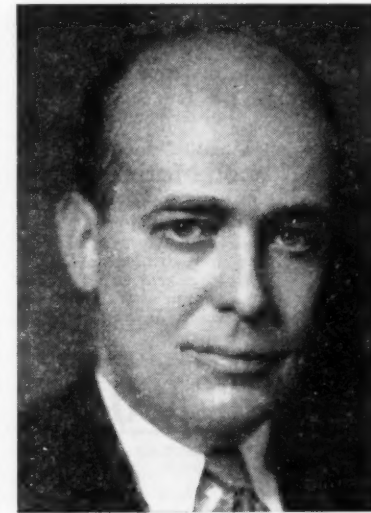
Mr. Glover pointed out that after a period, the new way of doing things may eventually become the accepted way, but unfortunately for organizational solidarity, the people up above can think up new and better ways of doing things and of measuring efficiency faster than the informal organization can assimilate them. He said that one danger of setting up such controls is that management may become "oversold" and take their systems too seriously and too literally. This can bring about serious repercussions throughout the company.

A statistician, accountant or controller cannot afford to ignore the human factors involved in setting up new systems. This is especially true if management takes a literal view. The subordinates think management's reaction is unfair and unreasonable and the enthusiasm over jobs is likely to be impaired. Unwittingly, management may have weakened the organization rather than strengthened it and the people may resolve to discredit the control to the extent of their power.

Change Leslie Luncheon Date

The date for the luncheon at which Insurance Club of Pittsburgh will honor Pennsylvania's new commissioner, Artemas C. Leslie, has been changed to May 26.

Equity Insurance Assn. of Delphos, O., a mutual, has been incorporated by U. S. Kreider and others. It will insure farm buildings, dwellings, stock, implements, etc.



SAMUEL T. SHOTWELL

from interregional committees, E. J. Pelletier, Hinchman-Rolph & Landis, chairman, reported. The board has regularly had representatives at meetings of committees from the regional organizations for the purpose of coordinating the work of developing improved underwriting principles and forms of coverage to meet present day nationwide demands, Mr. Pelletier stated. The committee has reviewed proposals submitted at these conferences and makes recommendations to the rating bureaus.

Other Reports Heard

A report of the public relations committee was given by Hugh S. Coburn, chairman. Other reports were made by H. Clyde Edmundson of America Fore, the administrative committee and R. J. Mayle, Globe of Rutgers, of the joint committee on accounting and office procedure.

The meeting was addressed by Commissioner Downey of California. On Wednesday the Pacific Fire Rating Bureau had an all-day session at Santa Barbara.

Mr. Shotwell, the new president, entered the insurance business in 1913. After 20 years with New York Underwriters he joined North British in 1934 as secretary of the automobile and inland marine departments in New York. He went to the Pacific Coast as assistant manager in 1940 and was made manager and vice-president in 1941.

Mr. Ryman, the new vice-president, entered insurance in the local agency field, served with America Fore, the Reinsurance Bureau in New York and joined Great American in 1923 as a field man in Maryland, Delaware and Pennsylvania. He went to the coast in 1940 and was made vice-president in 1942.

NEW ASST. SECRETARY

Appointment of Gerald V. Ball, assistant to the insurance director of California Packing Corp., to the newly created post of assistant secretary of the Pacific Board with headquarters in San Francisco was announced by Frank C. Colridge, general manager.

As assistant secretary, Mr. Ball will be primarily concerned with working with the actuarial and research committee and the state committees of the board which have contact with conference committees of the state agents' associations.

Mr. Ball has a substantial background in insurance. He has been with the

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Anti-Trust Hints Told by Gorman

(CONTINUED FROM PAGE 4)

are of great importance. The records should be preserved; for one day it might become necessary in proving the good faith of the transaction.

The activities should be carried out openly, for secretiveness and mystery only breed suspicion. Full publicity is desirable to avoid misconceptions based on partial or misleading information.

Complete Record Desirable

A complete record and accurate minutes may offer full explanations and rebut wrongful inferences at some later date when memory is faulty, Mr. Gorman pointed out. In this connection, if company counsel discovers or has his attention called to a memorandum or letter misrepresenting the position of the company with respect to any particular matter, and through poor choice of words, overzealousness, or misapprehension of fact lending itself to an interpretation at odds with anti-trust principles, it is best to correct it at once with a reply or memorandum stating clearly the actual policy of the company with respect to the subject matter and reiterating the proper course.

"There will, unfortunately, always be some employees or even executives with a rather disturbing gift for maladroitness and writings contemporaneous with questioned practices are frequently given greater weight in the court room than is oral testimony," he said. "They are regarded as 'cinematographic photographs' of purposes at the time they were written and attempts to contradict them on the stand may only serve to affect the general credibility of the witness. While current corrective memoranda may be regarded as somewhat self-serving, their effect may be to provide a satisfactory explanation or correction for investigators and avoid the necessity of litigation."

Anti-Trust Education

Mr. Gorman suggested that within each company there should be a constant process of anti-trust education, which can be based only on good liaison between executives and counsel with a clear understanding that it is far better that practices and programs be initially checked by counsel than to try to analyze them later.

Such matters as "price" and "terms and conditions of sale" have been construed very broadly by the Department of Justice and the courts and while fairly clear when applied to ordinary commercial transactions are somewhat more elusive as respects life insurance. He suggested, however, such categories as premiums, dividends, ratings, commission rates, surrender charges and interest rates on reserves, policy loans and installment options, while on the investment side there are interest rates, terms of amortization and finders' fees.

"Gentlemen's Agreements" Binding

It must always be remembered, he said, that written agreements or formal understandings are not necessary to establish illegal contract, combination or conspiracy within the meaning of the Sherman act. Tacit understandings, gentlemen's agreements, even "suggestions" and "recommendations" between competitors may be held to be evidence of binding commitments. The law permits inferences to be drawn from a course of conduct and inferences of guilt may be drawn from facts which would also support a different conclusion. These inferences may even be drawn where they are in fact not justified. Hence, trade associations must be meticulous to avoid even the slightest appearance of being used as a mask for illegal combination and conspiracy.

J. L. Van Wagoner, Pontiac, Mich., local agent, has been elected president of the Lions Club there.

Plan to Settle, Fire Boiler Issues Given

(CONTINUED FROM PAGE 2)

be applied by one group and the principle stated shall be applied to the remaining amount of insurance, if any, to determine the apportionment of any loss covered by both groups.

Example Is Given

For example, there is \$50,000 boiler insurance and \$100,000 fire insurance on the building only with no coinsurance. The boiler loss was \$20,000, building loss \$80,000 and contents loss \$40,000, which latter was covered only by the boiler underwriters.

The loss to contents covered by only one group being \$40,000, the boiler underwriter pays \$40,000. The joint loss is \$140,000 less \$40,000 or \$100,000. The boiler insurance remaining is \$10,000 and the fire insurance is \$100,000. The boiler underwriter pays

$$\frac{10,000}{110,000} \times 100,000 = 9,090.90,$$

$$\frac{110,000}{100,000} \times 100,000 = 90,909.10.$$

Then it is provided that the terms of any "other insurance," "excess" or "contribution" clause shall be set aside and be inoperative to the extent that they are in conflict with the principles of the agreement.

Coinsurance and Deductible

Any "coinsurance," "average" or "distribution" clause, or any other limitation of liability including deductible clause shall be fully operative unless otherwise specifically provided in the agreement.

For example, the boiler insurance is \$50,000, fire insurance \$75,000 with 100% coinsurance, actual cash value \$100,000.

The joint loss is \$40,000. The boiler insurance limit is \$40,000, and the fire limit is \$30,000 due to the coinsurance application.

$$\frac{40,000}{70,000} \times 40,000 = 22,857.20$$

$$\frac{30,000}{70,000} \times 40,000 = 17,142.80.$$

Then there is an example involving a deductible. Boiler insurance is \$100,000 with \$1,000 deductible, and the fire insurance is \$200,000 with \$100 deductible. The loss involving both groups is \$50,000 and the joint loss is \$49,000.

$$\frac{49,000}{98,000} \times 49,000 = 24,500.$$

$$\frac{49,000}{98,000} \times 49,000 = 24,500$$

and the fire underwriter pays the deductible difference of \$900 giving a total recovery of \$49,900.

It is also stipulated that any payment of loss or advance under loan agreement shall not affect or prevent the application of the principles.

Finally, differences of opinion respecting the application of the agreement may be submitted to joint arbitration—fire-casualty—established between National Board and Assn. of Casualty & Surety Companies.

New Heads of Hall Office

Arne Foss has been elected president and Edward S. Benfield chairman of Frank B. Hall & Co., New York brokers. Mr. Foss joined the company in 1919 and after experience in marine, fire and casualty divisions became vice-president in 1929, succeeding the late Arthur J. Sullivan. Mr. Benfield, formerly vice-president, joined the company in 1911 and has specialized in marine business.



FIRST MARINE POLICY...

In the Middle Ages, business men contributed money to a speculative pool for the purpose of "underwriting" ships and cargo sailing for various ports and their return. The money deposited by the ships' owners was secured by the "polizza", or written promise, stating the terms of agreement and bearing the names

of those indemnifying the owners in case of loss. When the speculation grew too large to be handled by a few, ship indemnification became a real business. The first recorded marine policy was dated September 20, 1547, and was drawn for the Santa Maria de Venezia sailing from Cadiz to London.

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EDITORIAL COMMENT

The Score Is Not Changed

The U. S. Supreme Court decision in the case of U. S. vs. National Assn. of Real Estate Boards et al, does not in any way affect the set of legal facts that bear on the question of the possibility of restoring some measure of voluntary commission control in the insurance business. When the news first broke that the Supreme Court had reversed the district court in this Real Estate Board case, those in the insurance fraternity that were searching every possible avenue for setting up on a voluntary basis some sort of effective dam against explosive commission competition, were downcast. But when the text of the decision became available, the reaction was one of very great relief. The decision in no way discolours the Hopkins and Anderson cases, the theory of which is what the searchers for a new system of commission control are banking on.

The Hopkins and Anderson cases involved commission merchants in the cattle business who had decided among themselves on rates of commission. The Supreme Court holding was that there was no violation of the anti-trust laws because, while the product involved is a subject of interstate commerce, the function of the commission brokers was purely local. Their agreement as to commissions did not constitute a burden on interstate commerce.

Those who are striving to find some apparatus to preserve stability in commissions on a voluntary basis feel that there is by analogy the possibility of establishing that insurance agents and brokers are engaged in like local activities and joint action dealing with commissions might possibly fall under the doctrine of the Hopkins and Anderson cases.

The fear was when the decision in the real estate case came down that this might annihilate the theory behind the Hopkins and Anderson cases. Not so, however.

There were two real estate board cases, one civil and one criminal. Both involved the District of Columbia Real Estate Board and in both cases the district court found that there was no violation of the anti-trust laws. In the civil case, the judge concluded that

the real estate brokers are really laborers and hence are entitled to the labor union exemption from the anti-trust laws. This is the case just decided by the Supreme Court.

The Supreme Court threw out this idea that the real estate board comprises a labor union. It vouchsafed that the restraint of trade provision in the anti-trust law refers not only to dealings in commodities, but to services in a broad sense.

Section 3 of the Sherman anti-trust law is a special section dealing with the District of Columbia. It specifies that since the District of Columbia is federal territory, an activity there does not have to comprise interstate commerce in order to come under the federal anti-trust law.

Hence the net of the Supreme Court decision is that first, the activity of real estate brokers constitutes trade and the labor union exemption is inapplicable and secondly, it is immaterial whether a District of Columbia activity is purely local, because section 3 makes purely local activities in the District of Columbia subject to the anti-trust law.

The Supreme Court all but said that the activity of a real estate broker is a purely local activity, its words being:

"The fact that no interstate commerce is involved is not a barrier to this suit."

"Section 3 puts beyond the pale certain conduct purely local in character and confined to the District of Columbia," the court said at another point.

"We are not concerned here with interstate commerce, but with trade or commerce in the District of Columbia," is another statement from the decision.

This decision, among other things, seems to rule out pretty completely any notion that local insurance boards might come under the labor union exemption.

Those who are delving into the possibility of restoring some form of apparatus to preserve stability of commissions realize full well that they have an immensely difficult row to hoe, but they are enormously pleased that the Supreme Court decision in the real estate board case neither annihilates their objective nor puts any new obstacle in their path.

with his company there were several who seemed more concerned with whether they would be accorded certain executives' privileges than with the

amount of salary they were to make. He discovered on further probing that the chief cause for the dissatisfaction of these men with their present jobs was that seemingly minor privileges were denied them rather than any real dissatisfaction with either the salaries or the jobs. While this does not prove per se that discrimination within insurance company ranks is bad, it serves as an indication that differentiation between the grades is highly important to certain individuals.

One may hazard a generalization about Americans and say that they are peculiarly opposed to class or job stratification. It has certainly been the bane of the Marxists that most Americans do not consider themselves members of any particular class and that class warfare slogans have had a negligible appeal.

Similarly, it seems safe to say that the biggest gripe of American GIs in the last war was not against the hardships or the food or the danger, but against the rigid social lamination of ranks. The average American enlisted man who in many respects found himself a "second-class citizen" while in the armed forces, simply could not get the idea through his head that he was officially the social inferior to any other man and that on this basis he was forbidden social access to the many places which catered only to officers. At the heart of all service publications popular with the GI was this indigestible distinction between the officers and enlisted men and the very real barrier that the enlisted man had to hurdle before he could be made a "gentleman by an act of Congress." Such a preoccupation with this feature of military life was frequently incomprehensible to soldiers of other nations who had strong class precedents in their civilian lives.

Undoubtedly the analogy of the military organization to an insurance company is not completely apt, but we think there is enough parallelism and enough here revealed of the American character to make the subject worth mentioning. Those very insurance employees who were more concerned with whom they were to dine than what salaries they were to make could be found during the war at officer candidate schools undergoing unbelievable physical and mental torture for the sake of crossing over into the first-class category, though their pay and their jobs would have been better had they remained master sergeants. One might say in such cases that discrimination between the ranks inspired these men to upward progress. On the other hand, there were many more soldiers who did not make OCS who became thoroughly embittered against variance of treat-

ment in the military system to the extent that their efforts were impaired and they were of little value to themselves or anyone else.

There are those who say that social discriminations have to exist within a military organization, because of the necessity for complete obedience which the advocates of "familiarity breeds contempt" would say is not possible otherwise. No one can pretend that such autocratic necessity is present in the case of an insurance company. We are not maintaining that there should be no social privileges accorded the higher officials of an insurance company, but we are saying that they should never be emphasized or ostentatious to the point that men in the ranks are humiliated. We maintain further that the granting of any special rights to a class of insurance company officers or employees should be studied carefully before made with the idea of measuring the effect upon general company morale. Any move to set aside one group as select from the others should be weighed from the point of necessity. Are these privileges valuable enough to those who are to receive them to balance off any adverse effect they might have upon the entire group?

According to the democratic ideal as we interpret it, the company would be the most successful which had the fewest demarcations between executives, supervisors and employees. The ideal is never attainable and certain conditions, such as large size may make "one big family" impossible in reality, but they do not make approximation of the ideal any the less desirable.

In the cases of the men whose disaffection from their companies was mentioned at the outset of this editorial, we saw efficient and promising young men lost to an organization when such a loss was preventable. The company from which they resigned, and many other companies, should review their employe policies with an eye towards spotting such trouble areas and then not merely attempt to sweeten the individual situations but to reexamine the hierarchy for further signs of unnecessary inequities.

It is within the American tradition for a man to rise from the bottom and few object to the necessity of such an ascent. The American is geared to only the minimum of social differentiation between his station and that of his superiors, however, and feels that any unnecessary trappings of rank are affronts to his dignity and may prove real barriers to his climb. A man has a better chance of achieving greatness if he is permitted intercourse with the great on terms that are comparatively equal.



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DES MOINES 12, IOWA—3333 Grand Ave., Tel. 7-4677. R. J. Chapman, Resident Manager.
DETROIT 26, MICH. — 532 Lafayette Bldg. Tel. Woodward 3-2826. A. J. Edwards, Resident Manager.

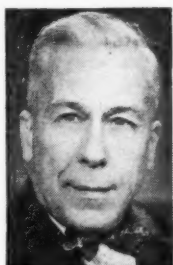
KANSAS CITY 6, MO.—605 Columbia Bank Bldg. Tel. Victor 9157. William J. Gessing, Resident Manager.
MINNEAPOLIS 2, MINN.—558 Northwestern Bank Bldg. Tel. Main 5417. R. W. Lanstrom, Resident Manager.
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Business Dept. — Ralph E. Richman, Vice-Pres.; J. T. Curtin, Resident Manager.
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PITTSBURGH 22, PA.—503 Columbia Bldg. Tel. Court 2494. Jack Verde Stroup, Resident Manager.
SAN FRANCISCO 4, CAL.—507 Flatiron Bldg. Tel. EXbrook 2-3054. F. W. Bland, Pacific Coast Manager.

PERSONAL SIDE OF THE BUSINESS

The new executive vice-president of New York State Assn. of Insurance

Agents, **Emil T. Clauss**, heads the agency of E. T. Clauss & Co. in Buffalo. He is president of Buffalo Assn. of Fire Underwriters, and has been in insurance since 1909, starting as an office boy. In 1919 after returning from service, he started in the local agency business. In 1948 his two sons, James T. and Charles J., entered in the business with him.



E. T. Clauss

He has long been active in the Buffalo board and he has served on the state association executive committee.

Jerome P. Bowes of Bowes & Co., Chicago, is at Los Angeles this week in his capacity as president of Western Golf Assn. The western open championships are being held at Brentwood Country Club there May 18-21, and Mr. Bowes will officiate in the presentation of awards.

R. Hill Carruth, Chicago local agent, has been notified by President Lewis Webster Jones of University of Arkansas of his citation as a distinguished alumnus of the university. He will appear in the commencement exercises at Fayetteville, June 3, to receive evidence of the honor. Mr. Carruth was one of the youngest colonels in the first war. For many years he was with Fidelity & Deposit, becoming assistant to the president. He was later with F. & D. at Conkling, Price & Webb agency at Chicago until he organized his own firm.

Harold V. Smith, president of Home, was guest of honor at a dinner given by the officers of the company on his fortieth year with the organization and in observance of his thirteenth anniversary as president. The dinner took the form of a "Collation and Soiree" held by the old-time volunteer fire com-

panies. Mr. Smith was presented with a humidor, in the shape of the presentation shield worn on the front of fire helmets, and a fire hat inscribed with his initials, the words "Fortieth Year" and the number "13."

Harry E. Helm, retired secretary of Fidelity & Guaranty, and Mrs. Helm are visiting Baltimore for about a month. They now reside at Moscow, Idaho, and Mr. Helm keeps his hand in the insurance business, being associated with the Robert Weisel agency there.

David Kadyk and **Herbert Brook** of the Chicago law firm of Lord, Bissell & Kadyk, which is Illinois attorney-in-fact for London Lloyds, are in London for a month.

E. A. Henne, vice-president and western manager of America Fore, has now returned to his home after a successful second cataract operation. He came through the second operation just as successfully as he did the first, and he will probably be in circulation again in about a month.

Hugo La Rue, secretary in the western department of America Fore, and Mrs. H. G. Jones were married the other day. After a short wedding trip Mr. La Rue has now returned to the office. Mr. La Rue was a widower and Mrs. Jones' late husband was an official of the Pullman Co.

The Loyalty group is giving a dinner at Milwaukee Thursday for **Richard E. Brandenburg** on his 50th anniversary with the organization. He started with Concordia Fire of Milwaukee and was elected secretary in 1924 and later was made secretary of all Loyalty group fire companies. Guests from Chicago will be Vice-president Herbert A. Clark and Second Vice-president W. B. Alaback and Herman A. Ambros, retired vice-president. The main group will consist of Wisconsin field men and those from the Milwaukee office.

Helmer Johnson, state agent in Illinois for Great American, has been confined to St. John's hospital, Springfield, for 10 days and will remain for an indefinite stay.

DEATHS

FRANK F. NEUMANN, 53, supervising examiner for North America, died at his office. He had been with the company 30 years.

DANIEL L. B. SMITH, president and founder of Selected Risks Ins. Co., died after a long illness at his home at Branchville, N. J. He formed a mutual company in 1926 and two years later changed it to a stock company.

A. M. STANLEY of Berkeley, California state director of the State Farm companies of Bloomington, Ill., died of a heart condition at Bloomington while attending a meeting of state directors there. His age was 61. He had been with the State Farm organization 22 years. Five executives of the State Farm companies went to Berkeley for the funeral that was held last Friday, they being A. W. Tompkins, Adlai Rust, Morris Fuller, R. P. Mecherle and C. F. Campbell.

JOHN E. GOFF, 44, assistant to the vice-president in charge of fire underwriting of Gulf, died. He had been with Gulf for 21 years and at one time or another had worked in every department at the home office.

JAMES R. HENRY, fidelity and surety manager of Travelers Indemnity at the John street office at New York, died suddenly Sunday morning. His age was but 43. His residence was at Madison, N. J.

Mr. Henry started with Maryland Casualty and for some time was bond manager at St. Louis. Later he was Detroit manager of Massachusetts Bonding and also served for a time as

a special representative of Globe Indemnity.

His Travelers connection commenced in 1939 when that company entered the fidelity-surety field. He started as bond manager at Chicago and since 1943 had been bond manager at New York. In the last war he served as a first lieutenant of military police. At the time of his death he was president of Surety Managers Club of New York.

CHARLES D. GOASLIND, 89, for four years in the early 1900's Idaho's insurance director, died at Salt Lake City from a heart ailment. Since 1920 he had been with the historian's office of the Latter Day Saints church.

QUEST C. COUCH, SR., 61, San Antonio local agent, died after an operation in a hospital there. He established his agency in 1927. It will be continued by Quest C. Couch, Jr.

CHARLES W. MARQUARDT, 91, who operated an agency at Scribner, Neb., until a year ago, died there. He was president of Farmers & Merchants Bank for many years.

MRS. MARY E. VAN WORMER, 90, mother of W. P. Van Wormer, state agent for the Phoenix of Hartford at Grand Rapids, Mich., died at Grand Rapids.

H. A. WOLFE, head of the H. A. Wolfe Co., local agency and real estate firm of Omaha, died at the age of 66. He had been in business there since 1913 and had been very prominent in Jewish affairs.

ALBERT M. DENNY, 49, local agent at Wichita, died in St. Joseph Hospital there.

CHARLES W. SMITH, resident inspector of Kansas Inspection Bureau at Stockton, died in a Hays hospital. He at one time was a local agent at Newkirk, Okla., and later was with the insurance department of Shell Oil Co. at St. Louis.

JAMES E. CROUSE, 78, local agent at Rossville, Ind., died following an illness of several weeks.

OLIVER D. BATCHELOR, noted legal authority on marine, fire and windstorm insurance, died at Miami. Mr. Batchelor moved to Florida in 1925 and became recognized as a leader in insurance law.

JOHN J. MUELLER, 69, Columbia, Ill., local agent, died at Deaconess Hospital, St. Louis.

WILLIAM R. WELLS, 62, Bay City banker who was a director of Detroit Fire & Marine, died there.

E. F. CONOUR, southern Illinois state agent of North British, is bereaved by the death of his mother, **MRS. MARY A. CONOUR** of Onley, Ill.

LESLIE ASH, 56, Oklahoma City local agent died there. He suffered a stroke last year and had never fully regained his health. His first connection there was with the C. L. Frates Co., and since 1935 he had operated his own agency.

A. J. ROGERS, 75, local agent at Battle Creek, Ia., died at his home.

Mutual Agents Midyear at Virginia Beach Draws 300

VIRGINIA BEACH—Strengthening the internal organization of National Assn. of Mutual Insurance Agents occupied the principal attention of the 300 mutual agents assembled here for the midyear meeting. Announcement with respect to the all-risk dwelling policy was withheld. State associations will now supervise selection of national directors.

Senator Capehart of Indiana was the principal speaker. He said the nation's greatest asset is its present form of government. The agency management committee presented results of surveys of various phases of management and offered members latest edition of the agency management manual.

A fire prevention project was determined as the public relations program of the association.

Plans are being considered for holding the 1951 midyear meeting in New England. Corey G. Hunter, Moravia, N. Y., president presided.

Output Policy Hearing

Commissioner Cheek of North Carolina has scheduled a public hearing for June 2 to consider Aetna Fire's filing of its automobile manufacturers' output policy and rating plan.

Usually public hearings are held to consider filings made by a bureau on behalf of some company, but due to the nature of this filing, the various bureaus have waived jurisdiction.

THE
PHOENIX-CONNECTICUT
GROUP
of
Fire Insurance Companies



The Phoenix
Insurance Company, Hartford, Conn.
1814

The Connecticut
Fire Insurance Co., Hartford, Conn.
1850

FOUITABLE
Fire & Marine Insurance Company
PROVIDENCE, R.I.
1859

ATLANTIC FIRE INSURANCE CO.
Raleigh, North Carolina

THE CENTRAL STATES FIRE INS. CO.
Wichita, Kansas

GREAT EASTERN FIRE INSURANCE CO.
White Plains, N. Y.

MINNEAPOLIS F. & M. INSURANCE CO.
Minneapolis, Minn.

RELIANCE INS. CO. OF CANADA
Montreal, Canada



HARTFORD
30 Trinity Street

CHICAGO
Insurance Exchange

NEW YORK
110 William Street

SAN FRANCISCO
220 Montgomery Street

MONTREAL
485 McGill Street



All Forms of Fire and
Property Insurance including
Ocean and Inland Marine
Country-wide Brokerage Service

TIME TRIED & FIRE TESTED



THE SAFEST WAY
THE INEXPENSIVE
WAY

Increased prices require correction of insurance coverage. Prudent management does this with our service, uses American Continuous Appraisal Service to keep coverage in line with values.

The AMERICAN
APPRAISAL
Company

Over Fifty Years of Service
OFFICES IN PRINCIPAL CITIES

ANOTHER SCOOP!

BOMB BLAST ON SOUTH SIDE

THIS AT 5AM
SAT. APR. 22nd



McCARTHY BROTHERS

ESTABLISHED 1910
REAL ESTATE - MANAGEMENT - LOANS - INSURANCE
2408 WEST 63RD STREET - REPUBLIC 7-5000
CHICAGO 29

April 28, 1950

American Glass Company
1030 North Branch Street
Chicago 22, Illinois

Gentlemen:

Your Company deserves a word of thanks for the splendid service rendered last Saturday after the bombing at 63rd and Western Avenue.

With one call from our office, your men came out and boarded up all the broken windows, without charge, and without being assured you would receive the order for replacing the glass.

Thanking you again, we remain,

Very truly yours,
McCARTHY BROTHERS

Eugene J. McCarthy
Eugene J. McCarthy

EJM:cc

LEDERER & WEIL

Insurance
175 W. JACKSON BOULEVARD
CHICAGO 4, ILLINOIS-WABASH 2-1780

May 1, 1950

Mr. Ben Beris
American Glass Company
1030 North Branch Street
Chicago 22, Illinois

Dear Ben:

I want you to know how appreciative I am of your very generous cooperation in resetting the large plate of glass at Wolock and Bauer. This sort of cooperation is very generous and will not be forgotten.

With kindest regards,

Sincerely yours,

Jacob Weil
JACOB WEIL

JW:dj

THEN
THIS

Immediately after notification The American Glass Company was on hand to protect the tenants from further destruction and loss.

Prompt replacements are the key to success in plate glass insurance . . . every hour a plate glass window is barricaded means possible loss of business —

American Glass Co. maintains a fleet of modern trucks and automobiles so that we can be right on the job as soon as you call MOhawk 4-1100.

American Glass Company
1030-42 NORTH BRANCH STREET • CHICAGO

Members of Chicago
Association of Commerce
Members of Chicago
Better Business Bureau

• "Recognition Merited by Our Service" •

BENJAMIN BERIS
President

Investment Expert Charges Insurers Hold Too Much Cash

**Advises Mutuals to
Abandon Traditional
Securities Approaches**

By RICHARD J. THAIN

The average casualty insurance company is not doing a good securities investment job because it is holding too much cash, Robert F. Main, Philadelphia insurance investment counsellor, declared at the management conference of Conference of Mutual Casualty Companies at Highland Park, Ill. It was open-minded realization that their companies were short on investment advice that caused the conference to invite the veteran investment man and former financial secretary of Provident Mutual Life, to address them. His message of less insistence on liquidity and at once more audacity and study of investments by each company reached the right ears, for these management meetings are attended by officers of the mutual casualty companies who are at the top on investment and all other levels.

Basis Is Small Gains

The speaker contended that too often a company will see a chance to improve its investment earnings by switching to another security, but will rationalize that the income difference is too small to justify the trouble. He termed this a mistaken attitude because the big investment gains are made up of myriad small gains which must be depended upon to turn the tide of income.

Mr. Main urged his hearers to adopt an investment philosophy that all company money should be doing as good a job as possible of earning. He emphasized that the company which has too much cash is sustaining an investment loss. He brought out that while an expenditure of \$1,000 by a company is a matter on which the directors pass, the same company will lose out without a murmur on earnings of \$100,000 from its investment portfolio, because of insistence on cash reserves that are too great. He charged that the average insurance company spends too much time on the selection of individual issues and not enough attention to overall direction of investment policy.

Future Income Pays Future Claims

It was his contention that investment policy should be geared to liabilities, but that this is seldom followed in the casualty business as demonstrated by far too liquid positions. He described the casualty business as highly dynamic. Money has flowed and will continue to flow steadily into each company, he said. Company officers are foolish to worry too much about future claims, because these future claims can be paid out of future income. The catastrophe loss possibility doesn't plague an automobile company. He advised the casualty companies to take stock of this dynamic situation to realize that all idle cash

Treasury Publishes New Qualifying List

The Treasury Department has published its so-called April list of qualifying powers of surety companies for the writing of bonds running to the U. S. government. Thirteen new companies appear and Emmco Casualty has been dropped. The list is based on the annual statements of the companies and the qualifying powers are 10% of surplus to policyholders. Compared with the October list, based on midyear statements, increases are greater and more numerous.

The new companies are General Casualty of Georgia, Boston, Old Colony, Employers Fire, New Hampshire Fire, Granite State Fire, Transit Casualty, Camden Fire, Newark Fire, Carolina Casualty, Tri-State of Oklahoma, Fire Association and General of Seattle.

Following are shown the qualifying powers in the April, 1949, list along with the October figures of that year and the April, 1950, list.



Robert F. Main

	Apr., 49	Oct., 49	Apr., 50
*Accl. & Cas...	306,000	283,000	323,000
Aetna Cas...	4,032,000	4,053,000	4,615,000
Amer. Auto...	2,022,000	1,973,000	2,092,000
Amer. Bond...	251,000	255,000	261,000
Amer. Cas...	365,000	417,000	503,000
Amer. Empl...	784,000	817,000	948,000
Amer. Fidelity...	149,000	144,000	154,000
Amer. General...	372,000	411,000	465,000
Amer. Guar...	259,000	271,000	240,000
Amer. Indem...	221,000	239,000	230,000
Amer. Motor...	300,000	300,000	350,000
Am. Mut. Liab...	1,738,000	1,772,000	1,872,000
Amer. Reins...	1,261,000	1,237,000	1,402,000
Amer. States...	249,000	256,000	214,000
Amer. Surety...	2,095,000	1,978,000	2,203,000
Anchor Cas...	188,000	193,000	217,000
Assoc. Indem...	688,000	743,000	732,000
Boston...	...	...	2,235,000
Buckeye Union...	160,000	215,000	238,000
Camden Fire...	...	...	854,000
*Car & Gen...	192,000	177,000	187,000
Carolina Cas...	...	...	53,000
Cent. Surety...	483,000	505,000	543,000
Century Indem...	690,000	641,000	885,000
Columbia Cas...	396,000	457,000	488,000
Comm. Cas...	495,000	536,000	738,000
Comm. Stan...	162,000	173,000	200,000
Cont. Cas...	2,664,000	2,769,000	2,911,000
Eagle Ind...	479,000	482,000	542,000
Emmco Cas...	105,000	122,000	...
Empl. Fire...	290,000	299,000	337,000
Empl. Liab...	1,827,000	1,960,000	2,014,000
Empl. Mut...	307,000	398,000	429,000
Empl. Mut...	1,463,000	1,499,000	1,577,000
Empl. Reins...	1,273,000	1,119,000	1,277,000
Eureka Cas...	130,000	133,000	146,000
*Europ. Gen...	1,016,000	957,000	1,069,000
Excess...	200,000	200,000	200,000
Farm. El. Mut...	41,000	37,000	39,000
Fid. & Cas...	3,291,000	3,410,000	4,373,000
Fid. & Dep...	2,141,000	2,217,000	2,319,000
Fire Assn...	...	...	1,636,000
Fire Fund Ind...	918,000	924,000	1,398,000
Founders F.&M.	286,000	267,000	277,000
Gen. Cas. Ga...	...	...	83,000
Gen. Cas. Wash.	484,000	504,000	508,000
Gen. Seattle...	...	...	2,296,000
Gen. Reins...	1,710,000	1,583,000	1,822,000
Glens Falls...	859,000	894,000	913,000
Globe Ind...	2,158,000	2,166,000	2,448,000
Granite State...	...	...	242,000
Great Am. Ind...	1,162,000	1,064,000	1,405,000
*Guar. of N. A.	160,000	160,000	164,000
Hartford Acc...	4,567,000	4,994,000	6,223,000
Hawkeye Cas...	88,000	92,000	98,000
Home Indem...	706,000	719,000	738,000
Houston F. & C.	157,000	155,000	176,000
Indem. N. A...	2,367,000	2,451,000	3,086,000
*Ins. Co. N. A.	11,946,000	12,182,000	15,487,000
Internat'l Fid...	196,000	196,000	194,000
Kan. Bk. Surety	63,000	65,000	65,000
Kan. Cit. F.&M.	161,000	156,000	171,000
Liberty Mutual...	3,407,000	3,857,000	3,864,000
*London Guar...	741,000	777,000	789,000
Lond. & Lanc...	296,000	305,000	342,000
Lumb. Mut. Cas...	1,300,000	1,306,000	1,500,000
Maine Bond...	74,000	76,000	82,000
Mfrs. Cas...	546,000	560,000	571,000
Md. Cas...	2,643,000	2,585,000	2,968,000
Mass. Bond...	1,340,000	1,263,000	1,414,000
Merch. Ind...	419,000	425,000	460,000
Metrop. Cas...	489,000	526,000	674,000
Natl. Auto...	244,000	258,000	254,000
Natl. Cas...	375,000	375,000	450,000
Natl. Grange Mu	217,000	211,000	255,000
Natl. Surety...	2,148,000	2,090,000	2,316,000
Natl. Un. Ind...	90,000	162,000	154,000
Newark Fire...	...	...	747,000
New Am. Cas...	1,704,000	1,856,000	2,023,000
New Engl. Cas...	247,000	247,000	213,000
N. H. Fire...	...	...	875,000
N. Y. Cas...	402,000	395,000	454,000
N. A. C&S Re...	271,000	283,000	287,000
N. W. Cas...	278,000	297,000	330,000
*Ocean Acc...	595,000	751,000	739,000
Ohio Cas...	550,000	600,000	700,000
Old Colony...	171,000	185,000	222,000
Pac. Empl...	351,000	326,000	396,000
Pac. Indem...	949,000	969,000	1,129,000
Peerless Cas...	230,000	304,000	327,000
Phoenix Ind...	425,000	455,000	459,000
Preferred Acc...	216,000	208,000	502,000

Overemphasis of Statistics Is Hit by R. H. Matthias

State regulation of insurance must be so administered as to encourage competition, Russell H. Matthias of the Chicago law firm of Ekern, Meyers & Matthias, declared in addressing the convention of Midwestern Independent Statistical Service at Chicago, Wednesday. "There is a growing tendency for commissioners to measure all filings on the basis of statistics and to require independent companies to justify every individual filing by statistics," Mr. Matthias observed. "This is an erroneous approach to insurance rate-making and in the end it will lead to unreasonable burdens on the companies and the stifling of competition."

"Excessive and unnecessary statistical requirements can be carried to such extremes as to destroy the entire system of reasonable state rate regulation. State rating laws do not impose the impossible upon the companies. State regulation must be so administered as to permit the companies to offer the public a choice of coverages and rates. Only under such a system can state regulation be successful; if it is otherwise—if state regulation requires uniformity to the extent of forcing all companies into uniform rates and coverages, it is doomed to collapse in favor of federal regulation. Common sense and good judgment in the practical administration of rate regulation must be the guiding principles in order to assure the continuance of state regulation."

"Government, acting through the medium of state insurance commissioners, has no right to dictate the detailed price structure of insurance companies. State casualty rating laws, except in Louisiana, Massachusetts and Texas, do not give that power to the commissioners. The laws specifically intend that the individual company, or its designated rating bureau, shall make its rates, subject to general supervision by the commissioner. The commissioner cannot make the rate, nor should he, under the guise of regulation and threat of disapproval, force his opinion upon the company."

"Insurance companies are in business to sell a service to the public at a reasonable profit. In determining the price for this product, a company management has the responsibility of arriving at a price that will be fair both to the public and to the company. In this determination the judgment of management plays a great part, and a commissioner should not attempt to substitute his judgment for that of management nor attempt to require management to prove to the 'nth' degree by statistics that the price is correct. It is sufficient if the price is not excessive, inadequate or unfairly discriminatory. Within the framework of these standards is a wide latitude of discretion for management to exercise its judgment and to experiment in trying to arrive at a mutually acceptable price for the insurance offered."

	Apr. 49	Oct. 49	Apr. 50
Royal Ind...	1,850,000	1,891,000	2,659,000
St. Paul-Merc...	988,000	1,073,000	1,110,000
Seaboard Sur...	639,000	613,000	688,000
Stand. Acc...	1,812,000	1,946,000	2,055,000
Summit F. & S.	34,000	35,000	36,000
Sun. Indem...	306,000	274,000	325,000
Texas Indem...	50,000	49,000	51,000
Traders & Gen.	149,000	149,000	157,000
Transit Cas...	...	...	900,000
Travelers Ind...	2,200,000	2,200,000	2,700,000
Trinity Univ...	342,000	401,000	437,000
Tri-State...	...	...	89,000
United Natl...	300,000	300,000	300,000
United Pac...	311,000	334,000	359,000
U. S. Cas...	680,000	730,000	801,000
U. S. Guar...	1,409,000	1,468,000	1,665,000
U. S. F. & G...	3,845,000	3,999,000	4,727,000
Va. Surety...	59,000	65,000	72,000
West American...	138,000	140,000	145,000
West. Cas. & S.	286,000	317,000	353,000
West. Natl. Ind.	325,000	306,000	336,000
Western Surety...	129,000	145,000	141,000
Yorkshire...	152,000	146,000	158,000

*Companies qualified for reinsurance only.

Define Objectives as First Step in Multiple Writing

**Must Precede Adoption
of Procedures, Carson
Tells Texans**

FORT WORTH — In view of the need for action in the field of multiple writing powers, a plea "for the defining of positive objectives upon which there can be substantial agreement and then for a concerted effort to make these objectives possible of rapid achievement by such legislative, procedural or other changes as may be necessary," was made by Ellis H. Carson, president of National Surety, in his address on "Multiple Line Thinking" at the annual meeting of Texas Assn. of Insurance Agents.

"We cannot expect, nor should we desire, that statutes or rating organizations can be so drawn or set up as to be in advance of our planning," Mr. Carson said. "It is for the industry to recognize and decide what course it wishes to pursue in order to utilize its powers to the fullest extent in the public interest."

His suggestion was that the business should have the public interest angle as its "keynote" and then should adopt a "platform" that would be made up of fire, casualty, surety and inland marine planks, which would be "assembled and interlocked to form a firm foundation upon which the industry as an integrated whole can play its part to the best advantage during the second half of this 20th century."

Primarily Attitude of Mind

In the early part of his address Mr. Carson commented on conditions in certain major branches of the business in relation to his theme that "multiple line underwriting is as much an attitude of mind as it is of underwriting practices."

For instance, he said, "fire companies have centralized their underwriting, whereas the development of the casualty and surety business has been in the direction of decentralization. Paradoxically, however, the rating organizations of fire companies are decentralized, whereas the rate-making bodies organized by the casualty and surety companies are nationwide in their scope." In view of the S.E.U.A. decision, he continued, "we must see to it that the interstate characteristics are adequately provided for or taken care of, which cannot be accomplished if we maintain too parochial an outlook, largely circumscribed by state boundaries."

Hopeful Factors Seen

Mr. Carson noted as one hopeful factor the "new generation we are now rearing in the business . . . who were grounded from the beginning of their insurance careers in the ways of multiple line underwriting." He also welcomed as good signs the classes and courses being given fire and casualty executives on all types of underwriting, declaring that the plan "has a decidedly broadening effect on one's outlook." It is leading to a "growing realization that primarily we are and should think of ourselves as insurance men. However, I do not advocate loss of identity by a wholesale merger of rating and

(CONTINUED ON PAGE 28)

JUNE TO BE BIG MONTH

N.Y. DBL Sales Swell But Few Exceed Basic Limits

NEW YORK—With the writing of business under the New York state disability benefits law just getting into full swing, current experience is that the majority of cases are being written for statutory benefits only. The full flood of business has not yet started because many brokers and some prospective insured are waiting for the rate situation to settle.

Some companies have not received approval of rates and forms. Producers affiliated with them have not been able to place their business. Some companies delayed filing until they saw what other carriers did. The experienced group life and casualty companies are lagging, some not yet having made a decision on how they will write the business. All agree that June will be a month of intense activity.

Varied Competitive Picture

The competitive picture among life and casualty companies varies. Life companies seem to have an edge among the very large groups. The casualty companies are progressing according to their experience. Some are writing the business in a big way. They are doing as well as or better than the life companies among smaller groups. Among these groups competition is intense between the two type carriers.

Group life companies with casualty affiliates are doing very well. Casualty companies do not seem able to use the alliance their fire companies have established with assured. They are, however, capitalizing on the compensation tie-up.

BIG SELLING JOB

One reason for the emphasis on statutory benefits only is that the sales job is too large. Companies will be pleased if they are able to do a satisfactory job in selling statutory coverage. Once they get the statutory sales task out of the way they hope to return and sell the additional benefits, such as higher weekly indemnity, surgical, hospitalization and other sidelines. This will happen in late summer or in the fall. Many employers want statutory coverage only, preferring to meet the legal requirements and continue their own salary continuance plans. A unique development has been the self-underwriting of plans among groups under 50 lives. The producer is able to quote a rate, develop a premium, and complete the job on the spot. On larger cases company underwriting is used. With large cases a standard procedure has been for a number of companies to submit quotations to assured. Some firms take their pick from among five to 20 carriers. The state fund has not been particularly active.

Some casualty companies are handling the line through their compensation departments. With others the procedure has been to expand A.&H. departments, use existing group staffs, or set up entirely new and independent disability benefits units.

Group companies are seeking business through ordinary and industrial agents as well as through group sales staffs. Casualty companies have special agents talking up the coverage in upstate local agencies. In New York City the sales operation is largely one of brokerage contacts.

Companies have moved in experienced men from other states. Seasoned campaigners sound like war veterans when they refer to their campaigns in New Jersey and California.

The life companies are writing all the business they can get. Some casualty companies are taking outside business

but others have gone into it to service only their agents and brokers or assured. Some casualty companies are writing the business only if they have the compensation. Group casualty companies are selling aggressively to all.

Although almost 200 companies may write the business the bulk of it is expected to be spread among about 50 carriers.

Big Job on Small Cases

The big sales job has to be done among the smaller employers. New York department of labor statistics show that there are about 58,000 employers with between four and seven employees, 45,000 with between eight and 19 employees, 21,000 with between 20 and 49 employees, 10,000 with more than 50 employees and about 1,000 with more than 500.

On the liability side, companies do not seem to be very much concerned about losses. The maximum potential exposure per individual is \$338 based on \$26 a week for 13 weeks. A source of potential underwriting concern is the water supply situation in New York City. The use of less water may result in more illness, for example, if there is less water for dishwashing, etc. This is not taken too seriously however.

In the upstate area casualty company sales, though aided by the compensation coverage connections their local agents have with insured, will be handicapped by the loose organization of their agency systems. Some, however, got an early start and had well planned systems for merchandising the disability benefits coverage through the local agencies. The average local agent usually represents more than one casualty company. He is not as closely tied to his company as the life agent.

Agent Liable if Assured Believes Risk Is Placed

LITTLE ROCK—Arkansas supreme court has ruled that an agent can be held personally liable for damages when he neglects to inform a client who believes he has coverage that he was unable to place the risk. The decision upheld an earlier ruling of a lower court in a suit by Herbert T. Blankenship, Warren, against Lawrence H. Derby, Warren local agent.

Blankenship said he entered into a contract with Derby for the latter to obtain compensation insurance covering employees at his sawmill, and that on July 22, 1948, he paid Derby \$262.50 as a deposit premium on the policy.

About 20 days later, an employee of the mill was killed. Blankenship testified he reported the incident to Derby so that insurance payments could be arranged for the victim's family. However, the mill operator said Derby informed him that he had not been able to obtain insurance on the mill. The lower court returned a verdict holding Derby liable for \$1,112 which Blankenship had paid to survivors of the victim, and this action was upheld by the supreme court.

The supreme court said that an agent who undertakes to obtain a policy for a client and then fails to tell that client that protection cannot be arranged can be held liable for damages which might occur during the time that the client thought he had protection.

Housewarming May 23

Government Employees of Washington is giving a reception May 23 on the occasion of the official opening of Government Employees Insurance building at 14th and "L" streets, N. W., Washington.

S. A. Bell Tells of Year's Work

S. Alexander Bell in reporting as manager at the annual meeting Wednesday of Midwestern Independent Statistical Service, said there are now 131 members and 13 subscribers. The increase in membership for the year was 29.

The total direct premium writings country-wide of these members and subscribers for 1949 was \$585,925,862 and their premiums in the 15 states in which Midwestern is licensed as a statistical agency amounted to \$380,849,966.

During the past year statistical calls were made and tabulated in 14 states. Missouri was the only state that did not have a call for experience.

These reports have not only satisfied the legal requirements but also have been valued by companies for their own internal underwriting reviews, for securing a picture of the underwriting situation in the states into which they plan to expand and for training their underwriting personnel.

Every effort will be made to reduce the amount of work in the preparation and compilation of the statistical reports in pursuance of the 1950 calls for experience.

Independents' Claim Council to Hold Meeting at Madison

Claim Managers Council of Independent Casualty Insurers will hold its semi-annual meeting at Madison, Wis., June 8-9. C. E. Moul of Ohio Farmers Indemnity will discuss the new garage liability policy. John Joyce of Capitol Indemnity will discuss permissive use under additional insured's clause of auto liability policy. Accident or occurrence in insuring clauses will be the subject of discussion by Fred Hagan, United Casualty.

Holly Fluty, counsel General Reinsurance, will speak on "Interesting Cases Involving Reinsurance." A discussion on comparative negligence will be given by Lawrence Hart, Madison attorney.

A meeting of the executive committee at Chicago was attended also by M. F. Priest, vice-president Anchor Casualty, chairman of the program committee, and other members of his committee; J. Nash Williams, claims attorney of General Casualty, and Don Z. Reinersten, superintendent of claims of Northwestern Casualty.

Hartford Accident Issues Records Destruction Cover

Hartford Accident has issued a combination of accounts receivable and valuable papers coverages in one policy and calls it "the records destruction policy." Coverages and rates are the same, but the combination gives the business man well rounded record protection.

As the company points out, a survey of firms that suffered destruction of accounts receivable records showed that 43% could not resume business at all and 74% of the remainder experienced serious credit impairment. Valuable papers need as much protection as the physical plant, contents and merchandise.

New Continental Section

Continental Casualty has set up a transportation group department of the railroad-industrial division with Frank M. Cudmore as manager. Mr. Cudmore has been in the group field for five years, most recently as group representative at Chicago for General American Life.

The annual meeting of Washington Automobile Assigned Risk Plan will be held May 23 at Seattle. There will be a report on the operation of the new financial responsibility law.

OHIO FARM BUREAU PLAN Youth With Driver Training Diploma to Get Adult Rate

Farm Bureau Mutual Automobile of Columbus beginning May 22 will apply regular adult liability insurance rates to drivers under 25 years who satisfactorily complete a state-approved driver training course.

C. W. Leftwich, vice-president and secretary, said the company is making this offer to impress upon students and parents that "there is only one man who sets automobile liability insurance rates—the man behind the wheel."

"The accident record of the under-25 driver throughout the country is appalling," he stated.

"Nearly 7,500 persons between the ages of 15 and 25 were killed in automobile accidents during 1948. This was 22% of all persons killed on our streets and highways for that year.

"In addition, 320,000 in this age group were injured in traffic accidents."

Mr. Leftwich estimates that of 100 youths in high school today, before they reach the age of 65, 12 will be killed or permanently injured in an automobile accident, and 63 will be injured or involved in such an accident. Only 25 will go through life without such a mishap, he said.

"The majority of these traffic deaths and injuries are the direct result of the immature or irresponsible attitudes of juvenile drivers and could be prevented."

"In the last 22 years the traffic death rate of those between the ages of 15 and 24 increased 90%."

One answer to this "tragic problem is education of teen-age groups in driver training."

In state after state, he said, where high school driver training gets an early and systematic start, the accident rate is approximately 50% lower than the rate for those "who have 'just sort of picked up' the ability to drive."

Mr. Leftwich said that only about one-fourth of the nearly 2 million students eligible for driver education and training received such training. "That is not enough to solve the problem," he warned.

Accident Falls Under Beauty Shop Operations, Not the P.L. Contract

In a dispute as to liability between a beauty shop operations liability insurer and a public liability insurer, the New York supreme court appellate division has decided that injuries suffered by a patron when the cover of a sink fell upon her face after she had been placed in a reclining position with her head over the sink in readiness for a shampoo, was an accident within the coverage of the professional liability policy. The case was Ruggieri vs. New Amsterdam Casualty and American Employers.

American Employers was on the beauty shop operations risk and New Amsterdam Casualty had the P. L. policy. The cover of the sink fell while the proprietor was temporarily absent. The court gave the opinion that the accident was one "resulting from a personal or professional service, or the use of a . . . appliance in connection with a beauty shop operation of shampooing, and consequently the claim was within the coverage of the beauty shop operations policy and was excluded from the P. L. contract."

Cover Osteopathic Hospitals

ST. LOUIS—A fight by the local AFL headquarters to have osteopathic hospitals included in the St. Louis Blue Cross plan coverage has apparently been won with agreement by the plan to pay bills incurred by members at the Normandy Osteopathic hospital.

No business can afford a Double Payroll



**That's why it's
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Ætna Key Man Accident Insurance

When an accident causes an employer to lose the services of a key executive, it is always a serious blow. But equally important — it often means maintaining salary payments during an extended period of unproductivity, or possibly even for life.

Business men today are becoming more and more conscious of the fact that they cannot safely assume this risk . . . more and more receptive to sound insurance protection.

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Insurance Plans, Ætna provides agents and brokers with the means to capitalize in this fast growing field.

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HARTFORD 15, CONNECTICUT

Legion Head Blasts Socialized Medicine and Welfare State

A blistering denunciation of socialized medicine and the welfare state, along with other manifestations of socialism and communism in this country, was delivered by George N. Craig of Brazil, Ind., national commander of the American Legion, in his address at the silver anniversary banquet of Chicago A. & H. Assn. Tuesday night.

It was considered especially significant, as President Truman had just delivered the main speech of his cross-country jaunt, defending his legislative program, the previous night and the administration's views also had been presented there at a panel on welfare legislation headed by Oscar Ewing, federal security administrator, and other supporters of government compulsory health insurance.

"The American Legion is absolutely in accord with your declaration that if we value our health and if we value our liberty, we must agree that compulsory health insurance, political medicine, is bad medicine for America," Commander Craig said at the outset of his talk.

"If some of the crackpot do-gooders should have their way—God forbid—socializing this and socializing that, they eventually would communize America.

What Would It Do to Us?

"They tell us in honeyed words that more concentrated government control of everything will do something for us. They don't tell us what it would do to us.

"Not only would they create a welfare state, but there might well follow a hypochondriac and neurotic state."

Mr. Craig recalled that national conventions of the Legion since 1943 have gone on record as opposing socialized medicine and compulsory health insurance. He quoted the resolution adopted at Miami in 1948 declaring that it would "deprive the citizen of the right to select the quality of medical care that he can afford and might desire," which it called "contrary to the fundamental rights of the individual," and the one adopted at Philadelphia last fall, putting the organization on record as "opposing any form of compulsory health insurance."

"That, my friends," he added, "should leave no doubt that you and we stand on common ground, fighting a common enemy, socialism, the advance guard of communism."

He criticized conditions in the State Department, citing the Hiss case, the Amerasia incident and others. He also spoke of the confusing and conflicting appraisals of the "world situation" and defense needs made by various high officials of the government and its armed forces.

Mr. Craig's speech was broadcast over the Mutual network.

Officers Are Elected

Before Mr. Craig spoke, greetings were given by John H. Campbell, Provident Life & Accident, retiring president of the Chicago association, and Charles B. Stumpf, president International association, and the new slate of officers of the Chicago group, headed by Clayton F. Lundquist of McCormick, Beatty, Lamb & Ferguson as president, which was presented at the April meeting, was formally elected.

There were also three 15-minute talks, by Insurance Director Hershey of Illinois on "Present Outlook for the Industry from an Insurance Department Viewpoint," V. J. Skutt, president Mutual Benefit H. & A. and Companion Life, "Present Outlook for Companies Writing A. & H. insurance," and E. H. C. O'Connor, Insurance Economics Society, "Present Outlook for Federal and State Compulsory Insurance."

Mr. Hershey spoke especially of the

Foes of Exclusive State Fund Get in Licks in Mass.

Arthur D. Cronin of the Kaler, Carney, Liffler & Co. general agency of Boston, testifying at a Massachusetts hearing against the majority report of the legislative recess commission on cash sickness insurance, declared that this report was in part "lifted verbatim" from federal documents and is "a piece of propaganda." The majority report recommended temporary disability benefits legislation in Massachusetts with a monopolistic state fund.

Mr. Cronin entered vigorous dissent. He charged that the majority report is propaganda for the federal security board. He went on to charge that labor is wedded to a philosophy which calls for progressive control over the personal life of individuals. "They find it necessary to use the state for this supervision and the insurance business just happens to be in their way." He contended, however, that the average workingman does not want to put the

efforts of federal agencies to get control over insurance, citing the Frear bill, the federal trade commission mail order code and its auto finance proposals. Referring particularly to the mail order rules, he said there are still a "few bad actors" in that field whose practices must be corrected.

He spoke of the part the agents, the underwriters and the claim men can play in bringing about a better, public attitude toward A. & H. and lessening the pressure for governmental action. He endorsed the proposal of Superintendent Dineen of New York for experimentation in mass coverage and also the idea of an Institute of A. & H. Insurance.

Mr. Skutt said there are three factors in the success of any business—a need for its products, a product that will meet that need and a means of bringing it to the people. He showed how thoroughly A. & H. insurance has met all those requisites, with the further reason for continued success and growth that it renders a real service to the buyer and his loved ones at the time when it is needed the most.

Legislative Situation

Mr. O'Connor reviewed the status of HR 6000 and the changes made by the Senate finance committee, retaining the \$3,000 taxable wage base, deleting total and permanent disability and the lump-sum benefit for all insured workers, and freezing the tax at 1½% each until 1956. He urged contacting Senators to make sure, when the bill comes up for action within the next 10 days, that these obnoxious features are not placed back in the bill.

He mentioned that the cash sickness issue is to be decided by referendum in the state of Washington this year, the Massachusetts bill for a monopolistic state fund, backed by the governor and labor interests, and the study now being made in Ohio. He said a survey of coverage is about to be made in that state and expressed confidence that the results will be satisfactory. He predicted a renewal of the fight in Illinois at the next legislative session, and probably in many other states.

Irving Wessman, Loyalty group, chairman of the committee which arranged the dinner, presided.

Mr. Campbell announced that the Chicago Association's annual outing will be held June 8 at Itasca Country Club. He was presented a desk fountain pen set in recognition of his work the past year.

William W. Kelly has joined the C. E. Canfield & Son agency of Santa Cruz, Cal. For 10 years, Mr. Kelly has been with the Duncan agency at La Salle, Ill.

state in competition with private business.

Paul C. Reardon, general counsel for Boston Chamber of Commerce, said his organization is opposed to any cash sickness legislation at this time. Mr. Reardon declared the program would further shrink the profit margins of business, discourage expansion and impair the capacity to provide employment. He said it would hurt small business especially. The worst feature of the plan, he went on, is the injection of the state into the private business field and on a completely monopolistic basis.

Rep. Newton declared "if you socialize the insurance business, it is only a step to socializing everything else." Rep. Whitter advocated that the state straighten out the unemployment compensation fund before it tries to run another one. Edward F. Connelly of Associated Industries of Massachusetts said industry is opposed to any state fund of any nature whatsoever.

At an earlier hearing when the partitions of the majority report had an inning, Rep. Umana, a member of the commission, cited the California experience, in arguing for a monopolistic fund. In California he said the insurers seek out the better risks while the state fund gets most of the poorer lines. To this Rep. Chapman retorted that this actually constitutes the best argument for not having a state fund since business men know best where to place their money—they take the best risks. He disputed the claim that the state could operate the program for half the cost of private insurance. When private industry is doing a good job, he declared, it is not the duty of the state to step in and take it away from them.

Pleads for Competition

Rep. Vaughan predicted that unless there is at least competition, the state fund would be in a worse mess than it is under unemployment compensation. There is bound to be trouble so long as the people handing out the money are not the ones paying in the money.

Kenneth J. Kelly, legislative agent for Massachusetts Federation of Labor, declared that the state can administer the fund for a maximum of 6% whereas "insurance companies now doing this kind of business pocket from 40% to 50% as overhead and profits."

Vice-president John H. Miller of Monarch Life of Springfield, Mass., represented the life companies of the state in opposition to the state fund bill. He said the insurance companies could handle an all private plan on an expense ratio of less than 10%. He observed that large group plans are now written on the basis of as little as 7½% for expense. He predicted that a state fund financed only by the 1% total payroll tax proposed by the recess commission would be sure to go broke.

Private Plans Cover 860,000 Under N. J. TDB Law

Private disability benefit plans in New Jersey cover 860,000 employees, or about 50% of the total, according to figures of the state division of employment security. There are 42,000 employers subject to the law. Of the 16,058 private plans, 15,259 are insured, 152 are self-insured, 441 operate under a management-union agreement, and 206 are plans that were in existence before the law went into effect in June, 1948 and will not terminate until the contracts expire. Benefit payments are running slightly ahead of last year.

Lt. Frank M. Andrews of the Evanston police department gave a talk on the "drunk-o-meter" at the dinner meeting of Casualty Adjusters Assn. of Chicago Wednesday.

Massachusetts Plate Glass has been licensed in Virginia and has appointed Heber Smith Morris of Alexandria as its first agent in that state.

Barclay Goes to Md. Casualty to Direct Fire Lines

Baltimore Company Maps Expansion Under Former Fire Association Man

BALTIMORE — F. John Barclay, vice-president of Fire Association, is joining Maryland Casualty as vice-president in charge of fire insurance operations.

Maryland plans to enter the fire and inland marine field in the near future. An entirely new division, to be headed by Mr. Barclay, will be established within the present company to handle fire and related lines.

A native of England, Mr. Barclay came to this country in the early 1920's, becoming associated with Niagara Fire in the Pennsylvania and Connecticut territories. In 1931 he went with Fire Association. He started as a special agent, but was later assigned to the home office, where he held various departmental positions until his election as secretary in 1941. He remained in that office until 1944, when he became vice-president.

Writes Fire Legal Liability As Casualty Endorsement

Travelers Indemnity is now writing fire damage legal liability as a casualty coverage in the form of an endorsement to policies on all owners, landlords and tenants, and contractors policies covering bodily injury and property damage. The endorsement applies to destruction of or loss of use of real property caused by fire while in the care, custody or control of assured.

The limit of liability stated in the endorsement applies separately from the property damage limit of the policy. Rates are 50% of the 80% coinsurance fire building rate, or if there is no coinsurance rate published it is 50% of the flat rate. Coverage for damage resulting from explosion, building collapse or other causes or damage to property other than real property can be had for an additional premium.

For contracting risks, the insurance applies to real property rented, leased or occupied by assured for such purposes as a store, workshop, warehouse or garage, but does not apply to property being worked on by assured.

Potomac in New Coast Setup

Potomac has appointed Hinchman-Rolph & Landis managing general agents in California.

General Accident will continue its operations through branch offices at San Francisco and Los Angeles, while Potomac will be represented exclusively through Hinchman-Rolph & Landis, who will report direct to the home office.

Hear Retail Credit Manager

H. S. Beighley, Wichita, manager of Retail Credit Co., spoke at the May 11 meeting of Wichita Assn. of Insurance Agents, explaining the organization and operations of the company. A question and answer period followed.

Portland Assn. of Insurance Agents at a luncheon meeting heard reports on the Far West Agents Conference and the recent session of the Oregon contact committee with the Oregon advisory committee at San Francisco.



"I was framed— by my insurance agent."

The warm, exhilarating days of spring, summer and early fall are going to send your clients scrambling up and down ladders and trees and in and out of second-story windows. Some of them are going to make slow trips up and fast trips down with resulting hospital and doctor bills that will stack higher than the top of the new extension ladder.

Not being able to tell which of them will take an untimely tumble or be laid up by some disabling illness, your best bet is to see that *all* your clients are protected against financial loss by a Travelers Accident and Sickness policy. In this way you can be sure that after an expensive accident or illness they will love you rather than leave you.

Valuable sales aids are available at Travelers Branch Offices.

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Surety Assn. in Annual Parley

Martin W. Lewis was reelected general manager of Surety Assn. of America at the annual meeting at New York. John L. Kirkwood and E. Vernon Roth were reelected secretaries. Standard of New York and Yorkshire Indemnity were elected to membership, bringing the total to 58.

Elected to the executive committee were Aetna Casualty, American Surety, Fidelity & Casualty, Fireman's Fund Indemnity, Glens Falls Indemnity, Great American Indemnity, Hartford Accident, Maryland Casualty, Massachusetts Bonding, National Surety, New Amsterdam Casualty, Phoenix Indemnity and London Guarantee, Standard Accident, Travelers Indemnity, and U. S. F. & G.

At a meeting of the executive committee following the annual meeting, there were reappointed as assistant secretaries, E. C. Anderson, J. F. Fitzgerald, P. T. Morehouse, P. A. Zimmerman, and W. J. Zimmerman; as educational director, David Porter; actuary, N. M. Franklin; engineer, E. R. Higgins. "Over the long term," Mr. Lewis said

in his annual report, "I believe our premium volume will definitely increase and that we will play a leading part in multiple line underwriting. The year 1949 showed an increase in loss ratios and although not to the point where it should cause any grave concern, it should, however, make us realize that we in the fidelity and surety business may readily be facing a new cycle of increased losses. But our business is accustomed to surviving unusual economic cycles and therefore I look forward to what the future may hold with the utmost confidence."

AFL Charges Private TDB Plans Unconstitutional

American Federation of Labor has filed suit in New Jersey superior court on behalf of an employee attacking the constitutionality of the private plan provision of the state's temporary disability benefits law. The complaint does not object to the tax but says that an employer who deducts money from an employee's earnings and pays it to a private insurance company for its profit is depriving the employee of his property without due process of law. If the AFL is upheld private plans could not be

used by an employer without the consent of all employees rather than of a majority of employees as at present. If upheld on all points, which is viewed as unlikely the AFL suit could endanger the legality of all private plans.

Am. Motorists Is in Compliance in Missouri

Superintendent Leggett of Missouri has announced that American Motorists has fully complied with the March 13 order of the department concerning the operation of its contributory dividend plan as applied to workmen's compensation policies, especially in connection with those issued to members of Home Builders Assn. of Greater St. Louis. Investigation of this plan was started about a year ago and former Superintendent Jackson conducted a hearing on it last Sept. 14.

The March 13 order stated that members of Home Builders Assn. are treated by American Motorists as a separate group for dividend purposes. It went on to say that American Motorists had attached retrospective rating plan A endorsement to all policies without regard to the amount of the actual or expected premium as computed at standard rates. The point involved here is that under the regulations, an insurer is not supposed to attach a retrospective A endorsement unless it appears that the premium for a risk will exceed \$1,000. American Motorists advised Mr. Leggett that the procedure objected to had been changed some months previously.

The order also directed American Motorists to discontinue attaching so-called endorsement B to policies, this being a provision that the experience on all risks in the class shall be combined in the computation of the dividend as provided in endorsement A. This endorsement has been amended satisfactorily to the department.

Another provision of the order pertains to the mechanics of the computation of the dividends, and the technical method of calculating dividends has been revised so as to separate the dividend and the return premium.

Zone 4 Rating Deputy Meeting Called Off

The interim meeting of rating deputies of the insurance departments in zone 4 that was to have been held at Chicago Monday and Tuesday of this week was called off and the plan is to hold such a session at a date subsequent to the N.A.I.C. convention at Quebec, June 12-15. There was held, however, a conference of the committee of deputies that is working on a uniform guide of filing requirements with an industry committee headed by Henry Moser, general counsel of Allstate, at Chicago on Monday. The committee of deputies consisted of Lloyd Yaudes, Wisconsin, chairman; L. T. Coddington of Illinois and Sam Orebaugh of Iowa.

Hear Talk on Auto Insurance

LOS ANGELES—Casualty & Surety Fieldmen's Assn. of Southern California today heard L. L. Brown, southern California manager of National Automobile Club, talk on automobile insurance and the advantages of club membership.

Mr. Brown said the casualty and surety field men should impress on their agents the facts about automobile insurance, the laws governing this coverage, and should endeavor to have the agents give more attention to this line.

Would Hike N.J. TDB Benefits

The New Jersey house has passed a senate amended bill to increase maximum benefits under the state's disability benefits law from \$22 to \$26 weekly. The governor had asked for a maximum of \$30 weekly. The bill was subject to final senate clearance.

Define Objectives, Ellis Carson Urges

(CONTINUED FROM PAGE 23)

other company organizations across the board. I am for state's rights, as it were, for the main segments of the business. Even so, I would hope to see less segregation than presently exists."

The second major theme of Mr. Carson's address was a picture of the "family market" — some 38,000,000 families — "largely untapped as respects liability, burglary and inland marine risks." He suggested a package policy for this market to "provide insurance against the major perils or contingencies to which a family is subject in the property and liability fields," with the exception of automobile risks. He commented also on the need for simplifying both policy language and rating procedures in developing such a package policy.

Criticizes Specialty or Fringe Coverages

Mr. Carson pointed out that some companies are experimenting with various combinations of coverages, but observed that "no substantial progress will be made through the promulgation of a multiplicity of what might be termed specialty or fringe coverages."

As for lessons from the past, Mr. Carson suggested that the current situation in the multiple line field parallels conditions in the early days of inland marine policies, and he briefly reviewed how that form of business has become stabilized. As a guide for the future he said that "orderly progress and orderly regulation would seem to require a large degree of uniformity, at least as to coverage provisions," for the primary reason of accumulating reliable statistics.

Enters TDB Field

Preferred Accident has entered the field of New York state statutory disability benefits insurance.

Premium remittances are made by the employer on automatic billing machine statements made available quarterly by the company. This incorporates a premium factor which is applied to employee deductions in a simplified computation. The premium rates range from .75% of the first \$60 of weekly wages to 1.05% of payroll on risks having a high percentage of female employees. Industry loadings are applied in certain high rated classifications.

Join Glass, Burglary, I.M.

American Surety group, in line with the current multiple line underwriting trend, has combined its burglary and glass department with its inland marine department. The new division is to be known as the burglary, glass and inland marine department.

Robert DeGray, until now inland marine manager, has been appointed manager of the new unit.

Named PR Associate

Burton L. Youngman has been appointed an associate of the public relations staff of Assn. of Casualty & Surety Companies. He formerly was director of creative services of Chester Parish Associates.

Rollin M. Clark, executive vice-president of Continental Casualty and Continental Assurance, has gained greatly in strength and expects to be able to return to his duties in another month, after having been incapacitated due to a heart ailment since late last year.

The annual outing of Wichita Assn. of Insurance Agents will be held June 22 at Courtney Davis Lodge, near Wichita.

Miss Edna Wallace was installed as president of Raleigh (N. C.) Assn. of Insurance Women, by Sherman G. Otstot, executive secretary of North Carolina Assn. of Insurance Agents. She succeeds Miss Eula Johnson.

GROWING PREMIUM VOLUME proves success of STERLING General Agents



General Agency Territories now open in Pennsylvania—Kentucky—Northern Ohio

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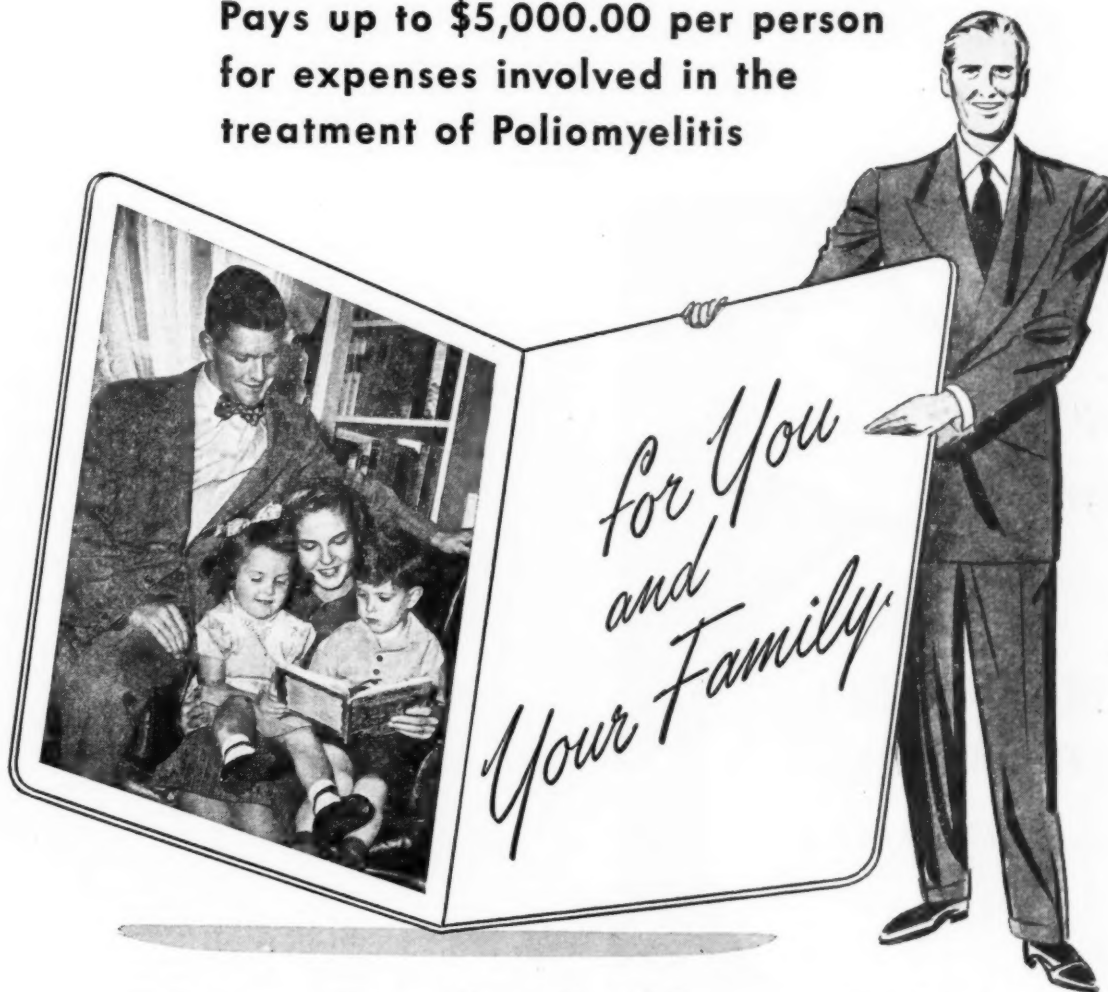
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THE EMPLOYERS' LIABILITY ASSURANCE CORP., LTD.

Our Advertisement
in TIME, June 12th
and THE SATURDAY
EVENING POST,
June 17th

1949 Fire Premiums, Losses in Illinois

Herewith are given the fire premiums and losses of companies doing business in Illinois. Both fire and casualty figures are shown for multiple line insurers operating in the state.

DOMESTIC STOCK

	Net Premiums	Losses Paid
Allstate Fire	744,567	18,817
Amer. Motorists Fire	25,696	8,783
American Motorists	1,065,119*	374,083
Bituminous F. & M.	56,062	17,591
Federal Union	—2,387	27,849
Illinois Fire	232,193	72,035
Millers National	670,656	158,062
Pioneer Fire	52,757	8,856
State Farm Fire	454,958	119,939
Transportation	177,792	53,495
Underwriters, Chicago	13,228	10,934

FOREIGN STOCK

Aetna Fire	4,225,444	1,538,396
Agricultural	445,241	201,093
Albany	139,269	47,235
Allemania	182,236	53,017
Alliance, Pa.	523,122	218,612
Amer. Agricultural	15,069*	—
Amer. Alliance	657,236	264,994
Amer. Foreign	125,095	51,179
Amer. Auto Fire	1,480,588	338,874
Amer. Aviation & Gen.	282,095	57,367
Amer. Central	368,110	162,188
Amer. Druggists	56,313	10,600
Amer. Eagle	713,250	370,033
Amer. Employers	739,656*	328,530
Amer. Equitable	1,622,664	364,755
Amer. Fidelity Fire	178,069	42,716
Amer. Fire, Tex.	18,815	18,763
Amer. Home Fire	30,717	26,843

	Net Premiums	Losses Paid
Amer. Indemnity	531,720*	157,770
American, Newark	3,153,628	1,121,261
American National	279,969	120,809
American Reserve	144,138	43,837
American Union	364,039	144,807
Anchor	210,915	172,084
Assoc. General, Mich.	2,998	92
Assurance, N. Y.	49,909	7,751
Automobile	2,939,436	1,048,009
Bankers & Shippers	419,017	125,494
Birmingham Fire	209,967	93,459
Boston	1,216,969	459,398
Buffalo	163,678	43,241
Caledonian-American	20,763	8,396
California	171,422	146,280
Calvert Fire	1,156,250	388,853
Camden Fire	499,394	187,275
Capitol Fire, Cal.	287	3,677
Centennial	244,534	53,250
Central Surety	233,580	114,964
Central Union	150,811	48,524
Charter Oak	230,711	120,823
Citizens	1,372,113	466,207
Columbia Fire	645,721	271,854
Columbia	316,343	69,458
Commerce	114,492	17,347
Commercial Standard	84,844*	39,965
Commercial Union	210,742	89,065
Commonwealth	347,403	140,345
Concordia Fire	68,450	179,297
Connecticut Fire	1,026,004	326,208
Continental	3,872,452	1,175,597
Detroit F. & M.	247,883	63,882
Dubuque F. & M.	431,658	167,005
Eagle Fire	370,033	17,259
East & West	128,352	98,830
Emmco	1,044,058	349,938
Empire State	23,562	36,336
Employers Fire	393,569	127,793

	Net Premiums	Losses Paid
Employers Reins.	1,314,114*	543,501
Equitable F. & M.	565,664	203,990
Eureka-Secur. F. & M.	261,873	87,123
Excelsior	9,859	6,091
Farmers Fire, Pa.	27,002	12,191
Federal	1,374,336	471,738
Fidelity & Guaranty	1,484,564	476,531
Fidelity-Phenix	2,590,866	781,268
Fire Association	859,381	391,619
Firemans	3,932,231	1,618,550
Firemen's	2,128,585	611,792
First National	436,427	94,125
Franklin National	290,331	116,908
General Exchange	4,471,332	1,318,443
General, Seattle	1,317,536	585,862
General Security	143,767	49,795
Girard F. & M.	778,156	248,816
Glens Falls	1,264,605	331,822
Globe & Republic	313,154	121,404
Globe & Rutgers	141,253	77,195
Granite State	84,353	41,097
Great American	2,206,548	889,589
Gulf	134,846	43,347
Hamilton Fire	71,983	37,974
Hanover Fire	1,259,365	498,868
Hartford Fire	8,405,684	2,939,067
Home F. & M.	925,094	227,824
Home	10,966,833	4,293,577
Homeland	95,467	35,143
Houston Fire & Cas.	20,905	31,955
Imperial	15,087	92,519
Indemnity of N. A.	2,158,365*	759,795
Industrial	142,521	38,281
Ins. Co. of N. A.	4,582,515	1,416,280
Ins. Co. of State of Pa.	144,092	101,234
International, N. Y.	85,550	46,251
Inter-Ocean Reins.	171,261	46,556
Jersey	403,712	136,294
Kansas City F. & M.	20,523	7,424
Lumbermen's, Pa.	210,481	114,545
Manhattan F. & M.	554,695	177,500
Manufacturers Cas.	494,902*	322,225
Manufacturers' Fire	88,742	29,957
Massachusetts F. & M.	456,987	205,226
Mechanics & Traders	408,189	133,672
Merch. & Mfrs.	226,265	75,050
Merchants Fire, N. Y.	237,677	95,406
Merchants Fire, Colo.	683,906	210,443
Merchants Fire, Ind.	57,861	10,522
Mercury	506,077	189,740
Metropolitan Fire	209,523	87,435
Michigan F. & M.	338,548	124,487
Milwaukee Mechanics	1,203,834	371,639
Monarch Fire	269,376	103,440
Motors	1,117,958	329,631
National Auto. Cas.	431,827*	171,644
National-Ben Franklin	206,051	66,269
National Fire	3,615,932	1,326,006
National Grange Fire	7,596	1,357
National Surety Marine	84,989	50,445
National Union Fire	767,033	221,429
New Amsterdam Cas.	2,384,289*	840,302
Newark Fire	371,083	157,286
New England Fire	84,637	31,122
New Hampshire Fire	429,627	179,929
New York Fire	626,043	155,875
N. Y. Underwriters	1,028,256	458,898
Niagara Fire	1,747,631	523,217
Northern, N. Y.	1,086,141	368,884
North River	1,067,375	458,591
North Star Reins.	466,075	115,394
Northwestern F. & M.	202,778	75,425
Northwestern Natl.	1,905,836	510,582
Ohio Farmers	551,473	148,151
Old Colony	605,311	244,766
Orient	553,852	163,259
Pacific Fire	496,460	200,942
Pacific National	877,946	209,940
Paramount Fire	499,271	154,625
Patriotic	117,687	34,300
Pennsylvania Fire	706,888	244,135
Philadelphia F. & M.	655,501	443,993
Philadelphia Natl.	285,106	91,921
Phenix, Hartford	2,796,449	1,134,842
Piedmont Fire	338,912	86,529
Planet	119,209	—13,131
Potomac	841,627	326,037
Premier	13,948	2,379
Providence Wash.	1,229,410	621,667
Provident Fire	85,369	43,269
Prudential	161,931	98,633
Quaker City F. & M.	58,252	18,749
Queen	863,882	281,131
Reins. Corp., N. Y.	21,627	3,814
Reliable Fire	4,174	19,212
Reliance	342,620	146,523
Republic	607,059	150,251
Resolute	995,001	422,700
Rhode Island	179,341	194,615
Rochester Amer.	514,448	239,177
Safeguard	266,379	65,382
St. Louis F. & M.	136,359	15,484
St. Paul F. & M.	2,163,820	1,118,427
Seaboard F. & M.	123,584	41,822
Security Fire, Ia.	208,831	89,765
Security, New Haven	709,794	315,670
Security National	177,839	27,912
Sentinel Fire	84,637	31,122
Service Fire	2,056,013	778,720
Southern Fire	54,330	12,620
Springfield F. & M.	2,876,657	1,058,141
Standard Fire, Conn.	452,056	135,311
Standard Fire, N. J.	250,220	96,928
Standard, N. Y.	1,706,464	583,042
Star	353,141	125,943
Stuyvesant	259,399	33,790
Sun Underwriters	61,647	27,984
Surety Fire	125,237	18,243
Transcontinental	325,441	193,871
Travelers Fire	3,514,796	1,276,036
Trinity-Universal	980,999*	336,445
Twin City Fire	95,173	56,690
United Benefit Fire	37,679	3,905
United Firemen's	446,432	129,938
United National Ind.	521,002*	164,917
United States Cas.	1,100,974*	348,164
United States Fire	2,195,330	865,912
Universal	428,253	128,529
Vigilant	47,249	4,950
Virginia F. & M.	42,938	27,735
Washington, N. Y.	40,576	15,829
Westchester Fire	1,783,530	699,360
Western Fire, Kan.	388,924	130,972
Western Natl. Ind.	163,253	60,533
Western National	367,479	176,552
Wm. Penn Fire	263,974	107,453

	Net Premiums	Losses Paid
World F. & M.	302,791	103,432
Zurich Fire	333,761	105,801

ALIEN COMPANIES		
Aliance, England	8,564	5,861
Atlas, England	258,071	118,860
British America	54,897	24,150
British-Foreign Marine	51,642	28,561
British General	220	—815
Caledonian	108,939	29,236
Century	161,121	48,325
Commercial Union, Eng.	801,832	263,159
Eagle Star	33,723	15,508
Employers Liab.	1,585,434*	746,945
Ind. Marine, England	106,961	10,279
Law, Un. & Rock, Eng.	214,961	106,796
L. & L. G.	880,589	623,964
London & Lancashire	488,788	141,768
London & Scottish	85,142	54,996
London Assur.	295,610	149,068
Marine, England	104,633	41,593
Netherlands	14,386	30,517
Northern, England	326,928	116,381
Norwich Union	48,688	21,440
Pacific Coast Fire	2,774	607
Palatine	67,087	15,069
Pearl Assurance	449,889	152,676
Phoenix Assurance	339,951	154,664
Royal Exchange	273,390	120,426
Royal	1,411,282	417,380
Scottish Union	376,817	185,991
Sea	117,242	31,030
Skandia	45,438	32,216
Skandinavien	131,386	55,977
Standard Marine	331,161	166,549
State, England	—	—
Sun	743,560	421,462
Swiss Reins.	1,871,894	723,652
Switzerland General	195,408	67,079
Thames & Mersey	3,463	4,100
Union Assurance	129,119	—
Union of Canton	178,051	91,809
Union Marine & Gen.	38,278	17,279
Western, Canada	253,146	79,651
Yorkshire	159,426	69,400

DOMESTIC MUTUALS

Addison Farmers Mut.	178,726	59,566
Amer. Mutual Reins.	47,944	31,820
County Mutual Cas.	9,546,289*	4,812,361
Country Mutual Fire	5,689,369	793,251
Downr. Gr. Fmrs. Mut.	58,613	14,055
Florists Hail Assn.	53,129	6,836
Home Owners Mutual	149,814	7,612
Illinois Mutual Fire	159,982	26,906
Independent Mut. Fire	142,859	15,744
La Salle F. & M. Mut.	70,583	45,170
Lumbermens Mut. Cas.	6,594,701*	2,426,575
Lutheran Mut. Fire	43,498	9,770
Millers Mutual Fire	1,002,979	391,869
Mt. Carroll Mutual	17,540	71,913
National Mut. Church	22,973	12,938
Protection Mutual	696,919	491,809
Security Mutual Cas.	768,784*	453,465
State Farm Auto	7,092,001*	2,939,322
United Farm Mut. Re.	73,430	37,314

FOREIGN MUTUAL COMPANIES

Allied Am. Mut., Mass.	119,183	51,203
Amer. Mut. Liab.	2,605,237*	1,225,146
Arkwright Mut., Mass.	473,536	48,945
Atlantic Mutual, N. Y.	310,896	122,934
Auto. Mut., R. I.	42,567	6,370
Badger Mutual, Wis.	231,833	47,591
Berkshire Mut., Mass.	65,515	28,232
Blackstone Mutual, R.I.	581,287	140,622
Boston Mfrs. Mutual.	1,063,676	764,537
Brotherhood Mut., Ind.	86,847	16,696
Central Mfrs. Mut. O.	328,264	75,367
Cotton & Woolen Mfrs.	430,295	405,242
Druggists Mutual, Ia.	4,710	108
Empl. Mut. Fire, Wis.	167,838	29,831
Farmers Mut. Hail, Ia.	287,393	43,861
Farmers Mut. Re, Ia.	12,256	8,817
Farmers Mut. R. I.	995,192	273,045
Gr. Dealers Natl., Ind.	329,926	39,630
Hardw. Dealers, Wis.	1,449,830	270,882
Hardw. Mutual, Minn.	55,251	14,317
Implmnt. Dealers, N.D.	5,978	528
Ind. Lumbermens Mut.	363,753	86,326
Iowa Hardware Mut.	52,394	28,793
Iowa Mutual	90,863	26,657
Jefferson Mutual, Mo.	8,132	17,358
Liberty Mutual Fire.	750,820	134,198
Liberty Mutual	8,547,473*	4,030,664
Lumbermens Mut. O.	184,038	44,262
Lumber Mutual, Mass.	69,072	25,985
Mfrs. Mutual, R. I.	1,771,255	1,210,558
Market Men's, Wis.	18,558	1,096
Michigan Millers	208,852	65,767
Mich. Mut. Liab.	1,325,811*	551,303
Millers Mutual, Pa.	60,436	7,530
Millers Mutual, Tex.	19,280	10,477
Mill Owners, Ia.	154,623	43,473
Mt. Vernon Mut. Co.	10,093	6,905
Natl. Jewelers, Wis.	16,550	3,301
Natl. Retailers, N. Y.	472,657	126,057
N.W. Mut., Wash.	424,196	96,609
Ohio Hardw. Mutual.	1,916	1,296
Oregon Mutual	1,370	2,060
Pa. Lumbermens Mut.	174,070	48,718
Pa. Millers Mut.	121,058	18,255
Phila. Mfrs. Mut.	237,141	99,632
Republic Mutual, Kans.	3,130	3,254
Securix Mutual, Minn.	11,403	5,831
Union Mutual, R. I.	46,745	38,821
West Bend Mut., Wis.	169,780	51,444
West. Millers Mut., Mo.	71,720	18,000
What Cheer Mut., R. I.	311,524	183,664
Workmen's Mut., N. Y.	16,913	1,283

XUM

	Total Premia and Losses	Auto. Liab. Premia and Losses	Other Liab. Premia and Losses	Work. Comp. Premia and Losses	Fidel. Premia and Losses	Surety Premia and Losses	Plate Glass Premia and Losses	Burg. Theft Premia and Losses	P. D. & Coll. Premia and Losses
Mut. Surety	81,463					6,308	25,156		
Natl. Cas.	112,881	12,621	2,405	7,596	394	1,241	1,030	1,539	7,268
Natl. Chiro.	2,169		2,469						
Natl. Indem.	111,217	59,168							42,640
Natl. Surety	215,083	13,984	8,479	21,386	53,604	73,711	3,274	25,705	14,939
New Amer. Cs.	192,399	40,376	23,663	50,513	1,118	35	1,366	8,069	3,062
N. Y. Cas.	76,215	13,535	5,838	12,642	7,839	14,430	4,333	10,719	35,387
Northern Cas.	112,480	29,944	1,091	9,036	6,238	12,444	1,289	2,654	11,376
N. W. Nat. Cas.	246,496	132,638	4,469						63,314
Ocean Acc.	140,871	27,346	13,255	36,236	2,134	863	1,599	8,151	21,118
Ohio Cas.	581,566	125,833	35,493	10,796	5,393		147	362	10,708
Pacific Empl.	12,972	1,309	2,367	7,167			2,565	2,261	73,252
Peerless Cas.	168,842	68,470	28,510	7,363	28,769	13,169		3,638	18,923
Phoenix Ind.	105,661	24,764	14,292	29,129	881	565	3,333	6,250	19,845
Pioneer Nat. Cs.	116,648		15,926	99,193					120
Prof. Acc.	33,151	4,684	1,044	4,969	133	608	73	815	3,617
Prof. Risk	197,855	48,786	840	2,309	—88	—1,179	584	847	3,657
Reserve	8,321	5,555							665
Royal Ind.	148,819	24,747	22,093	62,754	1,411	3,800	1,668	3,261	23,335
St. Paul-Merc.	509,489	90,422	95,156	118,761	35,712	67,907	9,508	16,438	73,907
Seaboard Sur.	62,868		11	43,082	2,252		3,798	2,324	33,673
Sec. Mut. Cas.	13,634	456	376	12,504					298
Shelby Mut. Cas.	23,939	409	1,428	40,649			19,692	2,142	268
Standard Acc.	237,615	16,305	24,410	130,611	2,004	15,742	1,601	6,418	34,261
State Auto	1,098,538	411,488	83,379	17,810			933	5,700	9,883
St. Farm M. Au.	2,492,199	729,629	47,040		700				664,525
Suburban Cas.	39,516	12,700	400						230,982
Sun Indem.	20,133	6,358	1,006	2,439	1,021	1,392	588	1,050	4,836
Travelers Ind.	1,274,057	372,320	87,806	368,759	16,121	24,781	9,101	67,013	291,615
Travelers	587,976	158,649	12,378	219,177	2,441	6,535	4,647	21,689	159,996
Transit Cas.	16,506	9,584	4,553	69,778					2,368
Truck Ex.	127,574	38,721	2,595	26,653					3,063
Un. Auto Ind.	375,617	109,697	9,681	10,757					43,809
	129,192	36,983	2,257						26,359
									196,724
									71,391

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	Total Premia and Losses	Auto. Liab. Premia and Losses	Other Liab. Premia and Losses	Work. Comp. Premia and Losses	Fidel. Premia and Losses	Surety Premia and Losses	Plate Glass Premia and Losses	Burg. Theft Premia and Losses	P. D. & Coll. Premia and Losses
United Cas.	971,277	235,190	43,016	24,881					493,390
Un. Nat. Ind.	51,793	20,094	4,815	4,371	561	2,422	1,488	1,418	135,489
Un. Pacific	26,671								16,393
U. S. Cas.	19,640	5,575	2,257	5,665	20	343	442	1,007	6,690
U. S. F. & G.	911,511	195,631	112,216	223,226	48,906	95,971	13,356	47,689	159,284
West Amer.	20	11							88,369
West. C. & S.	255,737	69,750	26,877	59,073	1,354	14,394	6,958	6,957	66,513
West. Surety	188,033								28,710
Wolverine	16,780		5,172	3,339			5,111	1,653	1,504
Yorkshire	10,486	518	976		4,033	2,630	804	1,083	441
Zurich	195,519	31,976	16,661	27,367	1,864	224	264	360	1,095
	151,787	73,898	6,403	55,016			677	471	25,167

Iowa Aggregates

	1949	1948
Total Prems.	\$74,628,974*	\$67,874,031
Total Losses	32,932,287*	27,470,690
Auto B.I. Prems.	10,701,867	9,989,836
Auto B.I. Losses	3,997,072	3,164,520
Other Liab. Prems.	3,149,792	2,975,202
Other Liab. Losses	544,566	438,363
W. C. Prems.	7,886,235	8,500,306
W. C. Losses	3,319,388	5,204,150
Fidelity Prems.	836,603	1,006,136
Fidelity Losses	144,921	98,517
Surety Prems.	1,690,495	1,419,253
Surety Losses	83,651	38,659
Glass Prems.	283,267	228,938
Glass Losses	126,074	113,628
Burglary Prems.	723,776	816,413
Burglary Losses	165,403	183,488
P.D.-Coll. Prems.	17,862,234	16,399,628
P.D.-Coll. Losses	7,805,295	6,575,958

*Includes classes shown below and fire, theft, etc., of full cover auto insurers as well as fire and allied business of multiple line companies.

Other Lines

	Net Premia	Paid Losses
Accident & Casualty	158	
Aetna Casualty	1,760	
Aetna Life	558,050	\$ 444,443
Amer. Automobile	70	
Amer. Casualty	12,173	4,566
Amer. Employers	5,412	892
Amer. Home Life	10,219	
Amer. Motorists	91	125
Amer. Mut. Liab.	107,993	81,061
Amer. Reins.	518	
Amer. Republic	84,430	35,367
Amer. Reserve	1,677	
Amer. Surety	—14	
Anchor Casualty	—94	116
Associated Indem.	181	6
Bankers Indemnity	125	
Bankers Life	125,132	71,064
Bankers L. & C.	960,691	158,638
Ben. Assn. Ry. Empl.	243,515	162,533
B. M. A.	449,305	256,452
Central Life, Ill.	10,216	3,833
Central National	27,064	4,185
Central Surety	47	71
Century Indemnity	94	
Columbia Casualty	1,948	582
Columbia Mutual	5,662	1,446
Columbian National	12,562	4,523
Combined	49,745	13,924
Commercial Casualty	8,391	3,478
Connecticut General	175,818	115,486
Continental Assur.	160,836	221,683
Continental Cas.	1,080,333	281,842
Craftsman	45,589	18,583
Des Moines Casualty	96,116	22,574
Eagle Indemnity	43	57
Economy Auto	36	
Employers Liab.	6,971	3,142
Empl. Mut. Ben. Assn.	10,094	6,535
Employers Mut. Cas.	29,058	2,147
Employers Mut. Liab.	147	8,165
Employers Reins.	10,167	4,638
Equitable Society	466,179	302,379
Europ. Gen. Reins.	8,867	3,859
Farmers Ins. Exch.	1,151	772
Farmers Life	40,970	20,086
Federal Life	98,024	45,194
Federal Life & Cas.	54,381	3,436
Fidelity & Casualty	17,263	4,454
Fidelity H. & A.	17,787	6,950
Fireman's Fund	644	14
Franklin Life	2,164	1,689
General Accident	17,720	8,357
General Amer. Life	9,947	4,047
General Cas. Wia.	8,037	7,087
General Reins.	3,421	415
Glens Falls Indem.	3,583	2,621
Globe Indemnity	5,463	3,085
Great Amer. Indem.	561	119
Guarantee Mut. Life	6,425	594
Hardware Mut. Cas.	606	381
Hartford Accident	30,161	7,886
Hawkeye Casualty	1,135	
Home Indemnity	760	5
Hoosier Casualty	71,252	25,271
I.E.A. Mutual	90,463	33,500
Illinois Bankers	66,102	26,031
Indemnity of N. A.	27,849	16,403
Inter-Ocean	8,535	2,681
Inter-State Assur.	17,187	6,891
Iowa High School	108,257	68,945
Iowa Traveling Men's	624,217	453,149

	Net Premia	Paid Losses
John Hancock	377,893	251,405
Liberty Mutual	393	5,723
Lincoln National	7,158	5,394
London & Lancashire	36	
London Guarantee	886	52
Loyal Protective	117,249	33,033
Lumbermen's Mut. Cas.	12,399	40,620
Maryland Casualty	14,464	3,474
Mass. Bonding	27,030	14,208
Mass. Indemnity	3,562	47
Mass. Mutual	10,184	8,336
Mass. Protective	369,250	158,575
Metropolitan Cas.	1,961	3,369
Metropolitan Life	642,917	394,878
Midwest Amer. Mut.	40	
Midwest Life	29,035	8,991
Missouri	5,813	767
Monarch Life	413,782	193,148
Motor Vehicle Cas.	15	
Mutual Benefit H. & A.	2,050,689	1,200,578
National Benefit	1,636,397	612,806
National Casualty	78,768	45,911
National Fidelity	31,501	10,724
New Amsterdam Cas.	1,361	13
North Amer. Acc.	318,720	168,356
North Amer. L. & C.	29,441	17,276
Northern, Wash.	107,289	58,109
Northern Natl.	16,108	8,554
Occidental Life	266,220	161,926
Ocean Accident	3,228	697
Ohio Casualty	344	
Old Line Life	3,052	2,286
Old Republic	82	
Pacific Mutual	129,338	65,621
Paul Revere	221,983	106,906
Phoenix Indemnity	1,408	122
Pioneer Natl. Cas.	1,333	660
Pioneer Mutual	21,880	1,706
Postal L. & C.	22,616	8,571
Preferred Accident	17,142	2,924
Provident L. & A.	237,059	176,818
Reliance Life	363,104	234,093
Reserve Life	1,381	25
Reserve, Ill.	88,122	8,552
Reserve, Ind.	879	
Royal Indemnity	2,383	329
St. Paul-Mercury Ind.	1,627	880
Standard Accident	7,844	734
State Auto	146,226	55,928
Sterling	177,642	34,037
Sun Indemnity	854	
Time	666	
Travelers	1,485,440	1,084,590
Union Mutual	264	15
United Benefit Life	485,691	184,373
United, Ill.	154,261	64,569
U. S. Casualty	609	24
United States Life	4,323	4,763
U. S. F. & G.	15,232	1,709
Washington Natl.	625,940	250,901
Western Cas. & Sur.	3,660	1,072
Woodmen Accident	216,121	108,446
Woodmen Central	108,668	51,573
World	185,951	79,132
Zurich	35,022	22,154

Totals	\$17,587,724	\$8,929,353
1948	14,909,076	7,247,430

	Net Premia	Paid Losses
Indemnity of N. A.	453	32
Maryland Casualty	784	63
Totals	1,237	96
1948	3,874	153

	Net Premia	Paid Losses
Amer. Frms. Mut. Car.	2,692	763
Hartford Livestock	33,967	17,407
Totals	36,659	18,170
1948	40,352	19,475

	Net Premia	Paid Losses
Amer. Credit Indem.	27,107	
Europ. Gen. Reins.	1,472	
Employers Reins.	2,274	
Totals	30,853	
1948	26,240	

	Net Premia	Paid Losses
Assoc. Hospital Serv.	1,005,351	795,887
Hospital Service	5,407,312	4,633,929
Iowa Medical Service	1,252,482	748,312
Totals	\$7,665,145	\$6,178,075
1948	\$6,079,475	\$4,792,141

Amer. Employers	7,628	55
Amer. Guarantee	2,134	.....
Amer. Reins.	26
Arex Indemnity	233

P. D. & Coll. Prema. and Losses

493,390
135,489
16,593
6,690
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3,721
12,718
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88,359
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1,504
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Paid Losses

251,405
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\$8,929,353
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MAGE
\$ 33
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153
\$ 763
17,407
\$ 18,170
19,475

	Net Prema.	Paid Losses		Net Prema.	Paid Losses
Columbia Casualty	29,495	3,446	Maryland Casualty	13,333	969
Eagle Indemnity	2,626	.....	Mutual Boiler	161,056	7,828
Employers Liability	10,393	1,562	Ocean Accident	24,877	14,551
Europ. Gen. Reins.	2,178	2,087	Phoenix Indemnity	5,225	.....
Excess	26	.....	Royal Indemnity	3,366	.....
Fidelity & Casualty	43,672	6,127	Standard Accident	1,581	331
General Reins.	1,183	.....	Travelers Indemnity	36,479	2,472
Globe Indemnity	2,154	2,370			
Hartford Steam Boiler	119,173	30,293	Totals	\$ 508,030	\$ 73,850
London Guarantee	696	.....	1949	667,968	45,128
Lumbermens Mut. Cas.	43,376	58			

CHANGES IN CASUALTY FIELD

Dan Brown in Dallas Post for Central Surety

Dan F. Brown, who has been elected vice-president of Central Surety, was born at Denison, Tex., and started with the old Southwestern Surety as office boy and clerk. That company later became Southern Surety and Mr. Brown remained with that organization 17 years, serving variously as manager at Des Moines and as head of the bonding department at the St. Louis home office. He was vice-president in charge of bonding for Trinity Universal from 1935 until joining Central Surety. His headquarters will be in the Mercantile Securities building at Dallas.

In last week's edition Mr. Brown was mistakenly identified as having gone with a company other than Central Surety.

F. & D. Names Three at Philadelphia

Fidelity & Deposit has made promotions at Philadelphia.

Lawrence E. Wesner, associate manager, becomes manager, succeeding Thomas J. Ternan, Jr., recently promoted to manager at Brooklyn; Nathan P. Stauffer, assistant manager, becomes associate manager; Richard P. Shepherd, special agent, becomes an assistant manager. The office continues under the active direction of James M. Henderson, resident vice-president.

Mr. Wesner is a graduate of the University of Illinois and University of Maryland law school. After five years as an underwriter at the home office fidelity department, he joined the army for 3½ years and after being mustered out in 1945 with the rank of major, rejoined F. & D. In 1946 he was appointed a special agent at Philadelphia and was promoted to associate manager in 1947.

Mr. Stauffer joined F.&D. in 1940, following his graduation from the University of Pennsylvania. He served as a special agent at Philadelphia until 1943, when he joined the army air forces. He returned in 1946 and the following year was appointed Philadelphia manager for American Bonding, a position which he still holds. Two years later he was named an assistant manager of F.&D.

Mr. Shepherd has served as special agent in Philadelphia since 1946. During the war he served with the army air forces.

Comstock, Moore Promoted

Sherman P. Comstock has been named supervisor of the boiler and machinery engineering inspection office at Pittsburgh for all Kemper insurance companies.

A boiler and machinery engineering office has been established at Cedar Rapids to handle expanding business in Iowa. George W. Moore has been transferred from Chicago to take charge.

A. V. Radcliffe Change

A. V. Radcliffe has joined New England Casualty at New York as superintendent of claims. He started with Lon-

don Guarantee. For 17 years he was with U. S. F. & G. at Newark handling all lines, then with American Automobile, first in the legal preparation department at New York and then as superintendent of its Newark office for burglary and material damage. Since 1948 he has been senior examiner with National Surety supervising the midwest, south and east for all casualty lines.

J. K. Gifford Secretary

United National Indemnity has named J. K. Gifford as secretary. He is already a secretary of National Fire and his appointment in United National is a further step in the integration of the

fire and casualty business of the group. He will continue to serve as an assistant to Vice-president O. A. Ogden in the automobile and inland marine business.

Five Assistant Veeps

William E. Bowser, Robert D. Hodson and E. C. Woodard of Chicago, and C. P. Cunningham and Robert V. Brannon, New York, have been named assistant vice-presidents of American Guarantee & Liability.

A. M. Edwards Ky. Chief

Austin M. Edwards has been named agency supervisor of the Employers group Kentucky department. He has been with Employers since 1937 and since 1942 has been a special agent in Kentucky.

Eggert Now Asst. Secretary

Harold L. Eggert, who has been with the eastern department of Employers Reinsurance in New York since 1946, has been elected an assistant secretary.

Starting in the underwriting department of Fidelity Casualty at New York and Philadelphia, Mr. Eggert went with the Lumbermen's Mutual Casualty in

1940. He served as gunnery instructor in the marine corps during the recent war, returning to Lumbermen's in 1946.

McKay to Founders F. & M.

George W. McKay, Jr., has joined the casualty staff of Founders Fire & Marine at San Francisco. He was formerly with Great American, and in his new capacity will serve as casualty underwriter and assistant to the department manager.

Scott Made Home Manager

Russell J. Scott has been made manager of the newly-established Home Indemnity office at New Orleans.

General Bonding Elections

John C. Pearson has been elected executive vice-president of General Bonding & Insurance of Oklahoma City. Vincent T. Johnson was elected vice-president and Clyde B. Whitwell, vice-president and assistant treasurer.

James P. Clarke has been named field representative at Chicago for Standard Accident. Robert F. Chapin has been assigned to a similar position at Buffalo.

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Hawkeye-Security-Industrial offer every agent every conceivable help to aid him in building sales. These three great companies give speedy efficient service, pay claims promptly and provide the highest type of field representatives to work closely with agents. Yes, you'll find HAWKEYE-SECURITY-INDUSTRIAL a fine combination to team up with.

HAWKEYE CASUALTY CO.
SECURITY FIRE INS. CO.
INDUSTRIAL INS. CO.

Des Moines, Iowa

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ACCIDENT AND HEALTH

Williamson, Miss Donlon on H. & A. Conference Program

The program for the annual meeting of H. & A. Underwriters Conference, to be held at Hotel Statler, New York, June 5-7, will include discussions of a number of vital problems confronting A. & H. insurance today.

W. Rulon Williamson, noted actuary, will speak on "Death 'n Taxes" June 5. He was an actuary of Travelers for many years, and in 1936 became actuarial consultant to the social security board and then the social security administration. Since 1947 he has been in private actuarial practice at Washington, D. C.

"The New York State Disability

Benefits Law and Its Responsibilities" will be discussed by Mary Donlon, chairman, New York state workmen's compensation board.

A departure from annual meetings of the past few years is the open forum, scheduled for Tuesday afternoon, June 4. Statutory disability laws will be reviewed by Francis T. Curran, supervisor statutory disability division Commercial Casualty, to be followed by a discussion of the work of the underwriting committee of the conference, led by its chairman, D. B. Alport, Business Men's Assurance. I. A. Weaver, Secured Casualty, chairman of the Conference hospital insurance committee, will be the discussion leader on recent trends in hospital coverage. C. O. Pauley, conference managing director, will discuss the latest developments in the writing of catastrophic coverages.

International A. & H. Assn. Convention Cruise Outlined

Early reports indicate an unusually heavy registration for the 1950 convention of International Assn. of A. & H. Underwriters. This year's meeting is being held on the cruise ship, Greater Detroit, sailing from Detroit June 26.

The ship will sail on Lake Huron, with stops at Midland, Ont., Sault Ste. Marie and Mackinac Island, and will dock at Detroit at the close of the convention June 30.

In addition to several notable speakers, ample consideration has been given to vacation activities. A shopping excursion is planned for Midland. A golf party and a carriage drive have been arranged for Mackinac. A visit to the famous Soo locks is also a highlight of the trip.

Novel feature of the convention schedule, which is hoped will become a regular event hereafter, is a forum for local association delegates and officers. It will be used to acquaint local association representatives with their responsibilities in association activities. Moderator for this forum will be Wesley J. A. Jones, executive secretary.

FCTIO Rally Aug. 14-16

The annual meeting of International Federation of Commercial Travelers Insurance Organizations will be held Aug. 14-16 at Lake Louise, Alberta.

Increase Tenn. "War Fund"

NASHVILLE—Tennessee Medical Assn. at a meeting here increased membership dues from \$10 to \$50 annually to provide a larger "war fund" to finance

"a concerted effort to prevent the establishment of any system of socialized medicine." A system of medical and hospital insurance inaugurated by the association is proving very successful, with policies sold by 16 insurance companies.

A. & H. Sales Portfolio to Be Memorial to Gordon

The Lebbey-Gordon Memorial committee, recently created by the executive board of International Assn. of A. & H. Underwriters, has announced the preparation of a sales portfolio, "Successful Ideas for A. & H. Sales." It will be dedicated as a memorial to the late Harold R. Gordon, who was managing director of H. & A. Underwriters Conference. Recognizing Mr. Gordon's intense interest in the selling problems of the A. & H. producers, the committee, headed by E. H. (Count) Mueller of Milwaukee, decided upon this project as the most fitting enshrinement of his memory.

The portfolio will contain 100 variations of A. & H. selling techniques developed by outstanding producers. Publication is scheduled for Sept. 1.

Los Angeles Broker Gives Ideas on A. & H. Insurance

LOS ANGELES—William E. Roskamp, Jr., insurance broker, gave A. & H. Managers Club of Los Angeles his views of what the companies writing A. & H. insurance should do to counteract the encroachment of socialistic trends.

He declared the companies should have a broad policy, one really broad, and not one so complicated that an agent has to write the home office for interpretations. He said A. & H. is the most vulnerable insurance line, due to the state fund, unemployment insurance and GI insurance.

He declared that the A. & H. field is the most productive one for agents. He demanded that the companies put more education in the manuals or else put the information in the manuals in such simple form that the agent can understand it.

There should be a move, he said, toward a policy that states simply and exactly what the buyer will have and also what he will not have.

He summed up his talk by asking for a simple manual, a broad standard policy and a total market. He declared that if private industry does not offer a market for all risks at some premium, there will develop an undetermined amount of pressure for those risks to be written somewhere, and that somewhere may be a political entity.

O'Connor Active in Ohio

E. H. O'Connor, managing director of Insurance Economics Society, has been spending considerable time in Ohio watching the developments of the commission on disability compensation, and appearing before business groups in that state.

He has already appeared before Ohio Trade Executives Assn. at a luncheon meeting at which 47 different industries were represented and the convention of Ohio Bankers Assn. at Columbus. He addressed the buyers' and executives' conference at Columbus Tuesday and the house of delegates of Ohio Medical Society at Cleveland May 17-18.

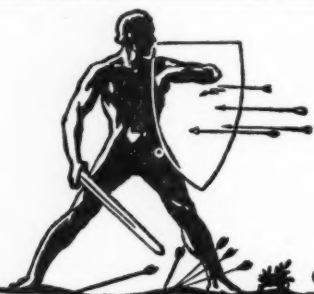
He is also scheduled to address the annual meeting of South Dakota Medical Society at Huron next Monday.

Golf Outing May 26

The Chicago A. & H. Home Office Underwriters forum and the Chicago Home Office Life Underwriters Assn. will hold their golf outing and dinner May 26 at Aurora.

Hear Salt Lake Mayor

Utah A. & H. Club at its May meet-



THE Invisible Armor of Comprehensive National Surety Protection!

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Blanket Bonds
Liability Insurance
Workmen's Compensation
Inland Marine
Burglary

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INSURANCE COMPANY

Celina, Ohio

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for Aggressive Agents

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CELINA MUTUAL
CASUALTY COMPANY
Celina, Ohio
Automobile and
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Selling Tools for Any
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ing at Salt Lake City had Mayor Earl J. Glade as speaker. He stressed the importance of salesmanship and advertising, asserting these two forces "have brought practically everything worthwhile within the reach of nearly all the American people." The June meeting will be devoted to business and election of officers.

Testimonial to Stumpf

A testimonial dinner for Charles B. Stumpf, president International Assn. of A. & H. Underwriters, was given by the local association at Madison, Wis., his home city, Monday night. Stanley Olyniec, Washington National, Milwaukee, was the principal speaker and was accompanied by a delegation of 25 Milwaukee A. & H. men.

Special guests included President E. A. McCord and Vice-president C. C. Inman of Illinois Mutual Casualty, for which Mr. Stumpf is general agent at Madison; Wesley J. A. Jones, executive secretary; Carl A. Ernst, North American L. & C., St. Paul, treasurer, and E. F. Gregory, Business Men's Assurance, Denver, chairman executive board of the International association.

Mr. Stumpf received a traveling bag as a gift from the Madison group and his other friends.

Western Mich. Assn. Elects

GRAND RAPIDS, MICH.—R. L. Ritmanich, General American Life, has been elected president of Western Michigan A. & H. Underwriters Assn. Vice-president is Robert Topp, Holland, and secretary, Mrs. June Thomas, Grand Rapids.

Olson Is N. D. President

BISMARCK, N. D.—Orie D. Olson, North American Life & Casualty, Fargo, was elected president of North Dakota H. & A. Underwriters Assn. at its annual meeting and sales congress here. Jack Konen, Minot, is vice-president, and Mel H. Toussaint, Occidental Life, Fargo, secretary.

New A. & H. business of Massachusetts Protective and Paul Revere Life for the first four months of the year was 39% greater than the same period last year.

SURETY

Bank Committee Outlines Its Current Aims

George C. Bennett, Bankers Trust Co. of New York, declares that the insurance committee of American Bankers Assn. of which he is chairman, has recommended several improvements in bankers blanket bonds, forms 2 and 24 and has received assurance that these proposals will be considered by Surety Assn. of America and decision reached in time to report upon them at the bankers' annual meeting in September.

The bankers committee, he said, also has conducted negotiations with National Bureau of Casualty Underwriters for improvements in the safe deposit box burglary and robbery policy, the fiduciaries comprehensive liability policy and other items, and the committee expressed the belief that favorable decisions will be received here prior to December.

A standard broad form of loss payable endorsement is under consideration by the four fire insurance advisory groups and a favorable outcome is hoped for.

The committee completed a study of its tables of suggested amounts of blanket bond coverage for banks of varying sizes. The existing tables stood the test of 10 years' experience and it is necessary to make only modest increases and adjustments to eliminate overlapping of suggested amounts be-

tween the deposit-size groups. The committee will discontinue characterizing any suggested amount as being "fair" and will limit its recommendations to "minimum" amounts or ranges of suggested coverage for each group.

Defaulting Contractors Are Sued by Sureties

Maryland Casualty and Travelers Indemnity brought an action in federal court at Tampa against the contractors on a \$2 million dormitory construction project at University of Florida that defaulted on the job. The contractors are C. & R. Construction Co., Southern Builders, Inc., J. R. Samford and Hugh J. Copland.

The insurance companies took over two other projects which the contractors didn't complete, they being a \$1,377,000 hospital at Tallahassee and a \$219,000 junior high school at Tampa. The suit asked for an accounting of funds and expenditures and for appointment of a receiver.

Mohawk Canal Bids Opened

Western Contracting Corp., Newman, Cal., and Sioux City, Ia., was low bidder at \$2,341,645 for construction work on the Mohawk canal, Gila Project of Ari-

zona, near Yuma. Aetna Casualty was on the bid bond.

David J. Hunt, Travelers Indemnity, Newark, has been elected secretary of Surety Underwriters Assn. of New Jersey.

COMPENSATION

Illness from Excitement Covered Under "Comp"

ST. PAUL—Coronary thrombosis caused by extreme physical exertion and excitement is an accidental injury under the provisions of the workmen's compensation act, Minnesota supreme court has held. The court upheld a \$2,602 compensation award to Iver B. Sokness, a police officer, against the city of Virginia. Sokness claimed the illness resulted from exertion and excitement that followed the moving of a car after an automobile collision to which he had been summoned.

Ark. "Comp" Rates Cut 9.2%

Reductions in Arkansas workmen's compensation rates averaging approx-

imately 9.2% have been made following negotiations with the National Council. Most occupational classifications were reduced according to the experience of each. With the exception of only one year since the law became effective, there have been annual rate reductions resulting from improved experience. Increased benefits prevented reduction in 1948.

Cites N. J. Experience

At the annual meeting of Compensation Rating & Inspection Bureau of New Jersey there were elected to the board of governors N. J. Manufacturers Casualty, Liberty Mutual, Fidelity & Casualty and Globe Indemnity.

Chairman Bernard Hamilton, in presenting his annual report, pointed out "that there has been a substantial drop from the peak premium volume reached in calendar year 1948. The total earned premium for calendar year 1949 (excluding the defense plan), was \$47,173,994, with a loss ratio of 49.76, the total earned premium for the five latest calendar years, 1945 through 1949, is \$232,283,192, with a loss ratio of 46.91.

"This is exceptionally good experience and it has been recognized in a long series of rate level reductions adopted by the governing committee."



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Your vision through safety glass is drastically reduced wherever the sheet of plastic has separated from the glass. That's why L-O-F Safety Plate Glass is torture-tested to make sure the lamination is perfect. In our Check No. 107, samples taken from the line at regular intervals are boiled first, then inspected for the slightest separation.

This is only one of our 142 Quality Checks and Controls. All of them are equally important to you and your policyholder—because they assure:

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Valuable A. & H. Sales Pointers Are Presented at St. Louis Congress

ST. LOUIS — Nearly 100 A. & H. men attended the sales congress presented by A. & H. Underwriters Assn. of St. Louis. Pearce H. Young, General American Life, sales congress chairman, was confined to his home by illness and W. Stanley Stuart, association president, also with General American, presided.

J. Dave Soper, of Sun Life of Canada,

opened the congress with a talk on "Prospecting," in which he applied life insurance ideas to the selling of A. & H. insurance. Mr. Soper also brought greetings from General Agents & Managers Assn., Life Underwriters Assn. of St. Louis and St. Louis C.L.U.

He advised agents to be ever on the alert for men of income and evidence of income, because "you can't sell a

man if he can't pay." He then defined a prospect as a person who can be approached by the agent, has a need for the protection, can pass the physical, moral and financial qualifications and, of course, will respond to a properly presented sales talk, with ability to pay as the primary attribute.

Oscar Kiefer, Aetna Life, spoke on "The Living Side of the Picture," bringing out the relation of A. & H. protection to "peace of mind." He advocated the use of visual aids in selling, and said he uses A. & H. insurance as an entry for the sale of life insurance or other insurance for meeting various casualty situations. He stressed the need for adequate protection in relationship to the earning power of the prospect.

Mr. Kiefer said he believes in "selling our claim department," even giving the names of the persons in it who will serve the policyholder in the event of a claim.

Rea on Ringing Doorbells

Charles E. Rea of Toronto, general agent of Provident Life & Accident, a member of the Ontario parliament and the first Canadian to be elected to the executive board of the International association, talked on "I Ring Doorbells." He said he chose that subject because he believes there is a tremendous potential field of prospects for A. & H. protection right in the home. "They are men that you cannot reach during the day," he continued. "Many of them have good jobs and are making excellent money, but are working perhaps with a firm that does not allow them to have interviews at their place of business." He said experience has shown that the best time to ring door bells is between 10 a.m. and noon, 2 to 4 p.m. and from 7 p.m. on.

The first step in a door bell ringing round is to select the type of policy to be sold. For home calls perhaps it is best to have a hospital plan, or a surgical or medical reimbursement plan, or a special accident plan, but it should be some plan where the entire family can be covered under the one policy, he said. Next he picks the street to be worked. It should be in a territory in which sales should result, perhaps a section peopled by well paid mechanics and other workers.

"When you turn into the walk leading from the street to the house start whistling," he continued. "It has been proved that a man who is whistling when he is approaching the door gets 17% more answers to the door than the man who does not whistle."

Skips Three or Four Houses

He advised skipping three or four houses, so that the women watching through the windows will really believe that it is a survey and not just another house-to-house canvass. Never give the woman the full details of the plan to submit to her husband, he suggested, since that usually results in a complete turnaround. The trick is to arrange a conference with both the woman and her husband, suggesting a convenient time, that evening if possible.

Dr. Armand D. Fries, president St. Louis Medical Society, spoke on "Compulsory or Voluntary?" dealing with the menace and dangers of compulsory government health proposals.

The concluding speaker was George F. Stevens of Travelers on "How to Sell." His talk was primarily limited to the sale of accident insurance, "for we believe that if we can sell the accident, they will buy the health coverage." He then gave his own methods for handling the approach, the presentation and the close, the sale itself and the basic objections that are always to be anticipated: No problem, no confidence, no money, and no hurry.

The program concluded with the showing of General American Life's educational sales film, "Oh, Henry,"

The Wichita C. P. C. U. class has completed part 1 under the direction of W. L. Schollander, St. Paul state agent, and is now reviewing preparatory to examinations. Part 2 will be taken up in the fall.

Summit F & C Offers to Write Government Employees Bonds

Rep. Huber, member of the House expenditures subcommittee considering government employees bonding, has received a letter from Summit Fidelity & Surety of Akron, O., offering to write 49 position blanket bonds to cover 588,000 regular and 515,000 temporary employees for a total premium of \$906,097, paid by the government.

The company is a treasury approved surety, with a \$36,000 underwriting limitation. Surety observers say 49 bonds covering government personnel would not be legally possible, as laws require the U. S. Treasurer to furnish two bonds and internal revenue collectors, U. S. marshals and various other officials totalling much more than 49 in number, each to give "a bond." There are 64 collectors alone.

William Ellis, general accounting officer, is reported drafting a government employees bonding bill for corporate suretyship for the subcommittee. This will be generally along the line of the plan submitted by surety interests, according to report. The committee will meet soon to consider bonding legislation.

New Maryland Dividends

Maryland Casualty has declared a regular semi-annual dividend of 40 cents a share on common stock, an increase of 15 cents. Common is now on an annual dividend basis of 80 cents a share. Also declared were regular semi-annual dividends of \$1.03 a share on the \$2.10 cumulative preferred and 52½ cents a share on the convertible preferred stock. They are payable June 30 to holders of record June 9.

N. J. Group Elects June 14

Casualty Underwriters Assn. of New Jersey will hold its annual meeting at Newark, June 14. Joseph Comerford, Maryland Casualty, is chairman of the nominating committee.

Assn. Hears Harman, Meek

The handling of public lines of insurance by local associations was discussed by two Seattle agents at a meeting of Pierce County Assn. of Insurance Agencies at Tacoma.

Speakers were Thomas A. Harman, P. J. Perry & Co., vice-president of King County Insurance Assn. and Wayne C. Meek, Associated Insurance Agencies, a past-president of that association. Mr. Harman outlined the mechanics used in writing various public lines, while Mr. Meek discussed sales procedure.

I.E.A. Now Horace Mann

The name of I.E.A. Mutual of Springfield, Ill., which stood for Illinois Education Assn., has been changed to Horace Mann Mutual Casualty. There is a companion company known as Horace Mann Life.

Feature Standard Accident Kit

Standard Accident's advertising and sales kit was the subject of a feature article in the March issue of Printed Selling, a national business paper. The article illustrated with photographs of the kit and several of the advertising pieces from it, analyzes the advertising and selling aids Standard makes available to agents.

Revive Bank-Agent Plan

Portland (Ore.) Assn. of Insurance Agents has completed reviving the old bank-agent auto plan with a series of new advertisements and folders. An explanatory booklet to assist automobile purchasers with their insurance and finance problems is being distributed. Replies will be apportioned among association members.

Continental Fire & Casualty has moved its head office to the Reserve Loan Life building at Dallas.

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Charges Insurers Hold Too Much Cash

(CONTINUED FROM PAGE 23)

is a curse on the overall yield of the investment portfolio.

Mr. Main characterized as unwise the attempt by many casualty companies to schedule maturities in competition with commercial banks. This is bidding for short commercials against a group which can outbid the insurance companies. He said it is impossible to pro-

ceed in this fashion without loss of income.

The speaker termed investment in short term governments as costly. He said that the price paid in loss of income for investment in short term governments as compared to long term governments more than offsets any possible loss the company might take on the long term bonds.

In connection with utility preferred and common stocks, Mr. Main advised that these be picked for diversification, capital structure and invulnerability to call, not merely for market earnings. There is a necessity for balance here, he said, for study of relationships and not mere dependence on broker house tips. He has found a tendency on the part of many insurance companies to accumulate "tag end" securities in their portfolios, because of lack of overall supervision.

Mr. Main advised purchasing long-term governments and "riding" them until they are eligible for purchase by commercial banks. By selling these securities midway and utilizing the yield curve, effective income can be made appreciably higher, he said.

The speaker advised his hearers to stop being fooled by book yields that appear high, but which cover up low market yields. He advised reinvesting money tied up in low actual yield securities. The insurance company which will forget about loading up with high book yielders which look good on the annual statement and will aim at the market yield on securities will be placing its policyholders ahead. He said that actuaries are being convinced of this every day.

Anti-Traditionalist

He cautioned again and again against traditionalism in investments, pointing out that one large life company which has pursued an independent course in investments has made millions that way and incurred the admiration of many, albeit somewhat grudging. The company which has the courage to buy for 50 cents on the dollar good securities that others won't take because of hide-bound customs is following the truly conservative approach, he maintained.

Mr. Main said that a number of companies make the mistake of concentrating entirely on highest grade bonds and that in this pattern of thinking "some awful things have been done in the name of private placement." He said that investment in public utilities preferreds can be very much cheaper and wiser than in high-grade bonds which are bought just to fill out the pattern. He said that dollar for dollar investment grade preferred stock is a wiser investment than many railroad bonds.

It was Mr. Main's contention that the average insurance company does not spend enough time on investment research in growth trends and interest rate trends. This sort of thing is far more important than the study of particular issues so closely that the broader pattern is missed.

Mr. Main's talk was greeted with many questions. Probably an inevitable one, especially from representatives of the smaller companies, was the question of what the speaker thought of mutual open end investment trusts. Mr. Main commented that the continuing management fees charged by these investment trusts are generally far too great and that, in most cases, the individual company would do better to make its own investments. The costs vary widely between one trust and another, but generally the management fees of the trusts are a heavy load that make these trusts a poor vehicle for any but the smallest companies.

Keep Banks Unhappy

Another inevitable question in light of what the speaker had said concerned what percentage of its assets a mutual casualty insurer should keep in

cash. The speaker retorted that none should be kept above the working balance. "Keep your bank on the verge of being unhappy and you will know that the maximum amount of your money is earning something," he said.

Must Face Reality

At this point Mr. Main commented that too many investors forget that high interest rates are historically abnormal. He termed harking back to the old days and with the vain hope for considerably higher interest rates as a failure on the part of investors to face reality. To his way of thinking, no investment should

be held in abeyance in the hope that the interest rate will turn the corner, rather the problem is that of keeping money invested as fast as it flows in. As for a hedge for future investment at a possibly higher interest rate, he declared that the flow of new money is a hedge in itself. The institutional investors have for 15 years demonstrated the futility of holding out for higher rates and the practice of holding money in hope of a higher rate is a form of speculating with policyholders' funds, he said.

Further questioning caused Mr. Main to comment that he wouldn't hold short-term equipment trusts till maturity, but

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Burglary and Glass Underwriter, age 24 to 30, several years' experience either underwriting or claim work, for home office underwriter. Company located in Texas. State full particulars, experience, education, salary requirements and habits. Address Z-91, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

WANTED

Insurance Analyst. Established territory of well known organization. Good knowledge of property and casualty insurance forms, rules and practices essential. Permanent with excellent earnings. State age, education, insurance experience and references. Address Z-85, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

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Old Managing General Agency supervising two Middle Atlantic states, considering establishing Casualty Department, is seeking right man as Casualty-Surety Underwriter and Manager of that Department. Address Z-93, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

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Large Multiple Line Group has opening for an experienced Underwriter in Oklahoma City Branch Office. Excellent opportunity for permanent future for right man. Our employees know of this ad. Replies confidential. State age and qualifications. Address Z-97, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

WANTED

Field men wanted to serve as special agents servicing general agencies in Minnesota territories for general casualty, surety bonds and automobile policies. Fire experience also helpful. Apply Personnel Department, Auto-Owners Insurance Company, 615 North Capitol Ave., Lansing, Michigan.

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would sell them midway where the curve indicates maximum price.

He commented that he does not think the state insurance department will let down the bars on common stocks nor develop a valuation formula for them.

25% GOVERNMENTS

He was asked what percentage a smaller or medium sized mutual casualty company ought to keep invested in government bonds. He said that 25% was a reasonable figure and that amounts below that are not dangerous. In his opinion, 50% is too high for the average company which must figure that it is going to have more money in the future in which it can invest in governments.

The speaker was asked on what he based his optimistic theory of continued dynamism in the casualty business. He said that creeping inflation would provide some impetus along with state compulsory automobile insurance and more automobiles on the road every year.

Fletcher B. Coleman, State Farm Mutual, presided over the two-day session as president of the Conference of Mutual Casualty Companies. C. W. Leftwich, Farm Bureau Mutual, and chairman of the management committee, presided at the banquet at which the speaker was Superintendent Dineen of New York. In introducing Mr. Dineen, Mr. Leftwich characterized his tenure

of office in New York state as being of the high caliber which stands as an example of the kind of job states can do in regulating insurance.

Dineen expounded the theory that the less price competition there is in any field of insurance, the more price regulation there will be and conversely, the greater the price competition, the lesser the price regulation.

In an area where there is spirited competition, he said, there is less occasion for the bureaucrat to intervene than in areas, for instance, where there is a tight cartel controlling as much say, as 80% of a particular line of business. There is less reason for administrative intervention in the competitive fields.

He concluded that the insurance business will determine the extent to which it shall be regulated by the extent to which it combines or does not combine.

At the banquet Harry P. Cooper, Jr., of Indianapolis, secretary of National Assn. of Mutual Insurance Companies, told of preparations that are now being made for a celebration of the 200th anniversary of mutual insurance in the U. S. that will be conducted in 1952.

Herbert E. Evans, Farm Bureau Mutual, described experiences with the wage-hour administration and said that companies present should be prepared for a wage-hour inspection. He explained that these inspections are visited on a company upon the complaint of some employee. His strongest cau-



tion was that each insurance company should make sure that every one of its branches, no matter how small, has complete wage and hour records. Where records in even the smallest office are inadequate it will mean that the federal inspectors will turn to the home offices. He termed the approach of the wage inspectors as friendly and commented that these inspections may run for as long as from three months for the biggest companies to a few days for the smaller ones. He said the company has no choice but to treat these men courteously and to give them what they want. All wage-hour exemptions and fluctuating contracts will be studied closely and everything must be able to stand on its own merits within the company because the inspectors are sticklers. They will interview personally many of the workers, asking them what they do, so that it is important that the employee knows in what classification he has been placed and what management regards as his duties.

For the company which has some wage-hour trouble, Mr. Evans' advice was to hire a wage expert and not the ordinary lawyer, because wage labor relations are a specialized field about which the average lawyer knows no more than any one else.

Ripe for Unionization

He opined that the white collar workers of the country are ripe for unionization and that this may be a powerful feature of the insurance scene.

Mr. Evans advised his hearers that their only approach to government matters of this sort is to stop growling, avoid looking guilty and to get on the friendly side of the government administrators. It is advisable for the man in charge of the personnel for the insurance company to know the local wage administrator and two men above him if possible. In the course of this knowledge of the men, the insurance executive will familiarize himself with the nomenclature used in their job classifications, which is all important. He likened job classifications under the wage-hour administration to the classifications under selective service when the same man, doing the same job, could be exempted from army duty if his job was described to fit a specific pattern in the selective service manual but if given another equally accurate title, he would be denied specific exemption.

Mr. Evans has advised insurers to ask the administrators for help, saying that they appreciate this approach and will go out of their way to aid the employer who treats them humbly and civilly.

Mr. Evans cautioned against any

cheating to secure exemption for overtime pay, such as calling men who are actually bookkeepers "accountants" merely to dodge the overtime. These men will get the overtime eventually, because the administration will find out about it, he declared.

Issues New "Comp" Law Pamphlets for N. C., Fla.

As a result of amendments to workmen's compensation laws in Florida and North Carolina, revised law pamphlets for those states are being distributed by Assn. of Casualty and Surety Companies.

The new addition contains a digest and complete text of the workmen's compensation law, amendments, and additional annotations of cases decided since publication of the previous edition. The price is \$1 per copy. The association has also prepared a supplement to its present pamphlet for Tennessee, which contains amendments and annotations of recent cases.

Copies of this material can be obtained from the association at 60 John street, New York City.

PERSONALS

Harold K. Philips, manager of the public relations department of Assn. of Casualty & Surety Companies, has been appointed a lecturer in English at Columbia University. He will teach the second year of the public relations course in the graduate school of general studies, with classes Wednesday evenings.

Paul Benbrook, who has been named manager of the new branch of National Bureau of Casualty Underwriters at Austin, Tex., has been in the insurance field since graduating from University of Texas. He started with the Texas department in 1938 and during 1940 and '41 was in general agency work. He then returned to the department and has been there since except for naval service during the war. He has been casualty actuary of the department since 1946.

Wayne Merrick, manager of the claims bureau of Assn. of Casualty & Surety Companies, is at University Hospital, New York, recuperating from an operation performed May 1. Taken ill on the west coast during a transcontinental business trip, Mr. Merrick spent a week in a San Francisco hospital before being flown back to New York. It is expected that by the end of May Mr. Merrick will be able to return to his home at Manhasset, Long Island.

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Convention Dates

May 18-20, Arkansas agents, annual, Arlington Hotel, Hot Springs.

May 22-23, Florida-Georgia Mutual Agents, annual, Oglethorpe Hotel, Savannah, Georgia.

May 22-23, Casualty Actuarial Society, spring meeting, Red Lion Inn, Stockbridge, Mass.

May 22-24, American Management Assn., insurance section, Hotel Statler, New York.

May 24-25, Oklahoma Fire Underwriters Assn., annual, Lake Murray, Ardmore.

May 29-31, Southeastern Underwriters Assn., annual meeting, Homestead Hotel, Hot Springs, Va.

May 31-June 2, Missouri Fire Underwriters Assn., annual, Lake Taneycomo.

June 5, Connecticut Agents, midyear, Tamarack Country Club, Greenwich.

June 5-7, H. & A. Underwriters Conference, annual, Hotel Statler, New York.

June 6, South Dakota Fire Underwriters Assn., annual, Marvin Hughitt Hotel, Huron.

June 7-8, Illinois Field Clubs, joint annual meetings, Hotel Urbana-Lincoln, Urbana.

June 8, Illinois Farm Agents Assn., annual, Jefferson Hotel, Peoria.

June 12-16, National Assn. of Insurance Commissioners, annual, Quebec.

June 14-16, National Assn. of Insurance Women, annual, Copley Plaza Hotel, Boston.

June 14-16, National Assn. of Insurance Women, annual, Copley Plaza Hotel, Boston.

June 14-16, Indiana Fire Underwriters Assn., annual, Maxinkuckee Inn, Culver.

June 15-17, Virginia agents, annual, Homestead, Hot Springs.

June 15-17, New England Assns. of Insurance Agents, Poland Spring Hotel, Poland Spring, Me.

June 20-22, Wisconsin Fire Underwriters Assn., annual, Maxwellton Braes, Bailey's Harbor.

June 21-22, Minnesota Field Clubs, joint annual meetings, Pine Beach Hotel, Brainerd.

June 21-22, Michigan Fire Underwriters Assn., Ramona Park Hotel, Harbor Springs.

June 21-22, Tennessee Fire Underwriters Assn., annual, Lookout Mountain Hotel, Chattanooga.

June 21-22, Kentucky Fire Underwriters Assn., fire prevention association, and Blue Goose, Kentucky Dam Village, Gilbertsville.

June 22-24, Georgia Agents, annual, General Oglethorpe Hotel, Savannah.

June 22-24, National Assn. of Independent Adjusters, annual, French Lick, Ind.

June 26-30, International Assn. of A. & H. Underwriters, annual, Detroit.

Aug. 8-10, Grand Nest of Blue Goose, French Lick Springs, Ind.

Aug. 24-25, Minnesota Agents, annual, Hotel Nicolet, Minneapolis.

Sept. 6-8, C.P.C.U., annual, Cleveland.

Sept. 10-12, Montana Agents, annual, Billings.

Sept. 10-12, Pennsylvania Agents, annual, Bedford Springs Hotel, Bedford.

Sept. 14-16, Washington Agents, annual, Spokane.

Sept. 14-16, Federation of Insurance Counsel, annual meeting, Atlantic City.

Sept. 18-20, International Claim Assn., Greenbrier hotel, White Sulphur Springs.

Sept. 20-22, Oregon Agents, annual, Portland.

Sept. 22-23, Utah agents, annual, Hotel Utah, Salt Lake City.

Sept. 25-26, New Jersey agents, annual, Hotel Claridge, Atlantic City.

Sept. 25-27, Bureau of A. & H. Underwriters, annual, Sky Top Manor, Poconos, Stroudsburg, Pa.

Sept. 25-27, Idaho Agents, annual, Sun Valley.

Sept. 25-26, New Jersey agents, annual, Hotel Claridge, Atlantic City.

Oct. 2-5, National Assn. of Insurance Agents, annual, Stevens Hotel, Chicago.

Oct. 12-13, South Carolina agents, annual, Columbia Hotel, Columbia.

Oct. 16-18, National Assn. of Mutual Insurance Agents, annual, Hotel Statler, N. Y.

Oct. 12-13, South Carolina agents, annual, Columbia Hotel, Columbia.

Oct. 22-24, Arizona agents, annual, Westward Ho Hotel, Phoenix.

Oct. 23-25, California Agents, annual, Fairmont and Mark Hopkins hotels, San Francisco.

Oct. 24-25, Massachusetts Agents, annual, Springfield.

Oct. 24-26, Wisconsin Agents, annual, Hotel Schroeder, Milwaukee.

Oct. 25-27, Kansas Agents, annual, Wichita.

Oct. 26-27, Tennessee agents, annual, Hotel Peabody, Memphis.

Nov. 13-15, Kentucky Agents, annual, Kentucky hotel, Louisville.

Nov. 15-16, Connecticut Agents, annual, Hotel Bond, Hartford.

Nov. 27-28, Missouri agents, annual, Elms Hotel, Excelsior Springs.

Dec. 10-15, National Association of Insurance Commissioners, midyear, Biltmore Hotel, Los Angeles.

Ill. Fire Premiums, Losses for 1949

(CONTINUED FROM PAGE 30)

Individual Und., N. Y.	27,875	1,483
Lumb. Und. All., Mo.	33,132	317
Metropolitan Inter-Ins.	16,722	891
N. Y. Reciprocal Unds.	24,161	1,287
Reciprocal Ex., Mo.	66,448	20,770
Retail Lumbermens	36,184	1,460
Tornado Ex., Minn.	168	.....
Truck Ex., Cal.	19,948*	4,462
Underwriters Ex., Mo.	5,545	534
Universal Unds., Mo.	200,436	10,911

LLOYDS

Lloyds 9,504,896* 2,567,270

*Casualty companies authorized to write fire lines.

Charlotte Agents Elect

Charlotte (Mich.) Assn. of Insurance Agents has elected as president, Donald Huber; vice-president, H. Gil Streck; secretary, Stuart Bearup.

Hail Writings to Be Cut

MINNEAPOLIS — The widespread floods in the Red River valley are likely to reduce the amount of hail insurance written in that area. It is likely there will be a heavy acreage abandoned. Also throughout this section the cold wet spring is going to delay hail writing. No planting had been done by May 1 in many areas in Minnesota and the Dakotas and it was the middle of May before much seeding was done. That means farmers will be hesitant about taking out hail coverage.

Helms Made Fire Manager

Jack H. Helms has been appointed manager of the fire department in the Los Angeles office of Johnson & Higgins of California, succeeding the late R. L. Rowley.

Concentrate on Big Accounts

Burt C. Kidd, Indiana superintendent of agents for Aetna Casualty, spoke at a meeting of South Bend-Mishawaka Assn. of Insurance Agents on "Planned Production vs. a Competitive Market." He said that agents must analyze their business to determine the more profitable accounts and then spend more time on those that produce the largest commission income.

Addresses Anesthetists

MEMPHIS, TENN.—Ralph W. Murphy, of D. A. Fisher, Inc., recently addressed the Memphis Nurse Anesthetists Association on "Nurse Anesthetists' Liability Insurance."

Dew Given Aetna Life Post

W. Braxton Dew, associate counsel of Aetna Casualty, has been appointed to a similar position with Aetna Life. He has been with the group since 1923 and Aetna Casualty associate counsel since 1928.

Kaser Receives Certificate

Robert F. Kaser, Sidney, O., was presented a "certificate of recognition" from Ohio Assn. of Insurance Agents at a meeting of the Sidney association by Julius Stein, president of the Sidney group. Mr. Kaser was unable to attend the recent convention of the Ohio association when the certificates were awarded.

Brief Recovery Stops Coverage

The death of an insured who went to the hospital six days after his car skidded into a barbed wire fence is not cov-

ered by an accident policy which requires that the accident "immediately, continuously and wholly disable the insured from the date of the accident," the Illinois appellate court has ruled in affirming the Cook County circuit court's decision in Thun vs. Mutual Benefit Health & Accident. The insured was able to drive home following the accident. His doctor testified that examination revealed no marks of trauma, that he was suffering from severe palpitation and nervousness and that his pulse remained high throughout his stay at the hospital, where he suffered a stroke and later died.

D.B.L. Countersignatures La. Field Men Show Movies

The New York department has sent a letter to all companies licensed to write coverage under the disability benefits law advising them to include space in the policy forms for countersignature by licensed resident agents. Superintendent Dineen's letter notes that state law prohibits the writing of coverage on risks in the state unless the contract is issued through or countersigned by a resident New York state agent.

Louisiana Fieldmen's Assn. has purchased a filmsound projector to be used

in fire prevention work. A number of films have been shown to schools, civic clubs and other organizations during April.

Hijackers Broaden Horizon, Devise New Theft Methods

Cargo Protection Bureau, national truck cargo loss prevention service, reports evidence of a widening range of target lines, with almost any kind of goods now subject to theft.

Gangs are perfecting beyond their distribution machinery. The old main run targets of liquor, tobacco, furs and textiles are still high on the favored list, but there is a much broader list of items stolen today than ever before. Large loads of children's wear, shoes, hosiery, paint supplies, electrical goods, sheets and pillow cases and the like are being carried off and apparently go into immediate circulation, as they are seldom heard from again.

The nature of the thefts shows a much broader range than in past years, also, the bureau reports. Traffic men are increasingly finding it necessary to warn shippers to double check the operator who calls for a pick-up, as "phony" drivers, even outside trucks, are appearing for scheduled pick-ups.

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The newspapers tell us the cold facts about the crime wave and the tremendous loss to the American public. So much of this loss is *insurable* yet so little is *insured*. This must be a fertile field. You'll think so too when you get the

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INSURANCE NEWS BY SECTIONS

EASTERN STATES ACTIVITIES

Schwab Wins N. Y. Agents Citation

At the annual banquet of the New York State Assn. of Insurance Agents in Syracuse, retiring President Roy A. Duffus of Rochester awarded the presidential citation to Arthur L. Schwab of Staten Island for his fine work on membership, agency cost studies, etc. Mr. Duffus presented a special citation also to Al Deisseroth, Syracuse, past president, chairman of legislative committee, and a hard worker in association affairs; and a special citation to John C. Stott, Norwich, past national and state associations president, for his continuing contribution to the business.

Russell M. L. Carson, Glens Falls, presented gifts to Mr. Deisseroth and Mr. Duffus.

At one session, an agent called attention to the competition of some cut rate automobile writers and charged they are not paying their claims. No matter what the circumstances, he said, they are denying liability. He wondered when something was going to be done about it.

Mr. Duffus suggested that if an agent knows that a company is following a "no pay" or "50 cents on the dollar" policy on claims, he should report it to the insurance department. The department will ask an officer of the company to come in and have a talk. The department has little sympathy with a company that is trying to settle claims in this way, and company officials do not like to be called on the carpet to discuss the matter.

Another agent cited a loss under a \$10,000 blanket fidelity bond. Insured discovered that some of his employees had been stealing merchandise out of the warehouse. They were indicted and signed a confession they had stolen the goods. The bonding company offered to compromise the \$11,000 claim for \$3,500. The surety relied on the phraseology in the bond which promises to pay for inventory losses if insured can conclusively prove that employees took the merchandise.

The agent said this was impossible. Insured would have to find the stolen merchandise before proving conclusively it was stolen. If the merchandise were found, there would be no loss.

Blain to Local Agency

William E. Blain has resigned as aviation rate specialist of Aviation Insurance Rating Bureau of Company Service Corp. to go with the J. Alfred Valentine agency at Mineola, L. I.

Mr. Blain joined Home at New York in 1928 and later was named southeastern marine special agent. From 1934-36 he was with local agencies at Beaumont and Houston. Then for three years he was in the insurance department of C.I.T. He then joined Aero Insurance Underwriters. After army service he returned to Aero in 1946. He was executive home office underwriter until 1948, the year that firm was dissolved.

Stewart Speaks at Erie

Howard Stewart, president of Pennsylvania Assn. of Insurance Agents, spoke at a meeting of the Erie association.

Bunting Expands Service

Charles W. Brown has become associated with Fred R. Bunting at Washington as physical damage appraiser. He has been 16 years in the automotive and truck repair field, serving as body

shop foreman for General Motors Corp., service salesman for Trew Motor Co., service manager for Hill & Tibbitts, Inc., and service manager for Al's Motors, Inc. His estimating service will be available to insurers in the metropolitan area of Washington and adjacent territories of Maryland and Virginia.

Portland Made "A" City

Following a National Board survey New England Fire Insurance Rating Bureau has reclassified Portland, Me., as class A for minimum rated risks and class 2 for specifically rated risks, other than those with automatic sprinklers. The city formerly was class B. The new rates will be applicable as soon as inspections are completed. Reductions range from up to 10% on mercantiles, manufacturing and other unsprinklered scheduled rated risks to 20% on dwellings.

G.A.B. Names Bracken

John H. Bracken has been appointed manager at Manchester, N. H., for General Adjustment Bureau to succeed Gardner H. Hotchkiss, resigned. Mr. Bracken joined G.A.B. in 1937. After service in the army air corps, he returned in 1944 to the Charleston office as staff adjuster, and in 1945 was transferred to Baltimore.

Merriman S. Smith, Bluefield, W. Va., local agent, has been appointed postmaster there.

The Syracuse Insurance Women's Assn. held its annual bosses' night at which the new officers were installed. They are Mrs. Edythe Mathews, president; Edna St. John, vice-president; Irene Dickinson, secretary; Joanne Welch, assistant secretary; Louella Kempf, treasurer; Mrs. Grace McCrea, assistant treasurer.

Auburn (N. Y.) Insurance Women's Assn. held its first bosses' night with about 85 guests present for dinner, which was followed by dancing. The speaker and master of ceremonies was Albert C. Deisseroth, Syracuse local agent.

MIDDLE WEST

Peoria Agency Is Feted on Its 100th Anniversary

Companies in the Roswell Bills & Co. agency at Peoria gave a dinner Monday at the Creve Coeur Club there complementing the agency on its 100th anniversary. This agency has operated under the title of Roswell Bills during the entire century.

H. Robert Woodward, who entered the firm in 1924, has been the sole owner since 1945. There is a direct family connection between Roswell Bills, who died in 1894, and Mr. Woodward in that Norman S. King, great-uncle of Mr. Woodward, married a daughter of Mr. Bills. Also H. F. Steel, who was a partner in the late 1890's, was an uncle of Mr. Woodward. The agency has represented one company for more than 75 years, two companies for more than 40 years and two others for more than 30 years.

The original companies in the agency were New York Protection Fire & Marine of Rome, N. Y., Mutual Fire of Jackson, Mich., Utica Fire, Orleans Fire of Albion, N. Y., and Connecticut



H. R. Woodward

Mutual Life. The present representation is American Surety, Fidelity & Casualty, Glens Falls, Glens Falls Indemnity, Hartford Fire, Home, North America, National Fire, North American Accident, Old Colony, Preferred Accident, Royal, Star and Yorkshire.

Form La Crosse County Assn.

LA CROSSE, WIS.—L. V. Weisen- sel of Weisenel & Weisenel, district

chairman of Wisconsin Assn. of Insurance Agents was elected president of the newly organized La Crosse County association at an organization meeting here. About 35 local agents attended and heard Urban Krier, Milwaukee, state executive secretary, discuss the needs and benefits of organizing on local, state and national levels.

Harry Curtis, Curtis Insurance Agency, is vice-president, and Kirk Saltz, Saltz & Son, secretary.



L. V. Weisenel

Program Is Announced for Upper Peninsula Meeting

Program plans have been completed for the annual meeting May 26-27 of Upper Peninsula Assn. of Insurance Agents at Escanaba, Mich. Britton W. Hall, Escanaba, is president.

There will be a number of educational talks and an office personnel clinic conducted by John Fohr of Michigan State College journalism department and Carl Strong, its insurance education coordinator. Moderators at an agents' only session will include two past presidents of the state association, Russell A. Bradley, Ann Arbor, and Howard A. Huttenlocher, Pontiac; John P. Old, Jr., Sault Ste. Marie, liaison officer between the Upper Peninsula association and the state association executive committee, and Waldo O. Hildebrand, Lansing, secretary-manager of the state association.

Other speakers include N. Edward Bartlett, assistant secretary of Maryland Casualty, "Forgery and Bonds"; S. W. Schellenger, superintendent of agencies of Buckeye Union companies, "Actual Errors Discovered by Fire and Casualty Insurance Surveys, Their Correction and Prevention"; Leon J. McVoy, Grand Rapids, president Michigan association, "Our Trade Organization"; A. Lynn Minzey, Lansing, superintendent of agencies of Auto-Owners, "Insurance Trends."

Commissioner Forbes is expected to speak at the banquet.

Address Minn. Regionals

C. R. Hewitt, president Minnesota Assn. of Insurance Agents, and George W. Blomgren, executive secretary, addressed a meeting of the West Central Regional Assn. at Ortonville. On May 23 Mr. Hewitt will speak at the Park regional meeting at Alexandria and on June 23 he and Mr. Blomgren will speak at a joint meeting of the Southern and Southeastern regionals at Faribault.

T. J. Kelly Now on Own

Thomas J. Kelly, former secretary of N. S. Woodward & Co., independent adjusters of Flint, Mich., has now opened his own independent adjuster's office at 2601 North Saginaw street at Flint. He has had a number of years of experience as adjuster and investigator and is prepared to handle all types of fire, inland marine and automobile claims.

SOUTH

Committees Set Up on Ky. Agents' Examinations

LOUISVILLE — Insurance Director Southall has appointed four committee chairmen of an advisory group of insurance men to make recommendations regarding the examination and licensing provisions of the new insurance code which goes into effect Sept. 1.

The chairmen, each of whom will head a committee of agency and company men engaged in his line of business, are: James L. Moss, Connecticut Mutual, life; William P. Tate, Independence Life & Accident, A. & H.; Rollie M. Guthrie, State Auto Mutual, casualty and surety, all of Louisville, and Charles M. Moore, Bowling Green local agent, fire and allied lines.

Meeting with department officials at the office here, the group discussed "the scope, type and conduct of written examinations" for agents and solicitors and set the following meeting dates for each of the committees: Life, May 16; A. & H., May 17; fire and allied lines, May 18; casualty and surety, June 2. All meetings will be at the department's Louisville office.

Participating in the conference here were Director Southall, C. J. Baugh, assistant director; and E. F. Heil and Gamble Dick, associate directors. Under the new code, applicants must submit to written examination. The advisory board members serve without pay.

Many Agents Interested

Among the insurance agents of Florida that helped to organize Florida Home Ins. Co., stock in which is now being sold by Atwill & Co., of Miami, are Adee & Hooper of Miami Beach; Baldwin Agency and Cauley & Martin of Miami; B. D. Cole of West Palm Beach; Hauser Co., Miami; Jacksonville Properties, Jacksonville; Keena-Vertiaux, Ft. Lauderdale, and Sweet Agency Miami. The president is Fred C. Bertiaux of the Keena-Bertiaux agency.

Conduct Ga. Agents Seminar

Fire Insurance Fieldmen's Club of Georgia conducted a seminar for local agents of middle Georgia at Macon.

Speakers were E. H. Dennington, manager Georgia Inspection & Rating Bureau; George B. Raine, assistant general manager southeastern department, General Adjustment Bureau; George D. Fairleigh, Georgia Assn. of Insurance Agents, and Robert P. Travis and Robert M. McFarland, Jr. of Southeastern Underwriters Assn.

Full Course in Okla.

A full major fire and casualty insurance course is to be set up by Oklahoma A. & M. college at Stillwater starting in September. This will prepare students for the C.P.C.U. examination. This is in addition to the fire protection course which has been given at that college for years. The program was completed at a meeting of faculty members with James Whelchel and Thomas Weaver of Oklahoma Assn. of Insurance Agents and Ed. Yerrington and Z. M. Lang of Oklahoma Fire Underwriters Assn.

Seitz Adjustment Firm Elects

Mrs. H. C. Seitz has been elected president of the Seitz Adjustment Co. of Oklahoma City to succeed her late husband, H. C. Seitz.

Charles Jones, manager at Lawton, Okla., has been transferred to Tulsa as manager succeeding Sharman Owsley, who has resigned to join a general agency.

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Brass-dialed clock dates back to Carroll's day



THROUGH an underground passage leading from Mount Clare to the Patapsco River, women and children sought refuge on ships when Baltimore was menaced by approaching Indians after Braddock's defeat in 1755. This passage and the room into which it opened are now boarded up, but otherwise Mount Clare appears much as it did in the 18th century. It is the only Colonial house within the city limits of Baltimore that has survived fire and commercial or suburban development. Baltimore's Park Board, present owner of the property, is responsible for its careful rehabilitation. To the Maryland Society of the Colonial Dames of America, which leases the house, belongs credit for restoring its authentic furnishings.

Many articles now in Mount Clare originally belonged to Charles Carroll, known by his own wish as the Barrister "because there are so many of my name in this town." The house was built in 1754 by his father, Dr. Charles Carroll, Chyrurgeon, as he styled himself, a native of Ireland who set-

tled in Annapolis and acquired Mount Clare as a country home and base for ship-building operations. Though the Barrister was educated in England, Dr. Carroll reminded him to "Fix your Eye for future Life in Maryland," and here he returned after his father's death in 1755.

Like his father, the Barrister took an active part in local affairs but he rose to even greater prominence. Despite his grief at breaking with England, he threw himself wholeheartedly into the Colonial cause. As one of Maryland's "seven most distinguished patriots," he lent his facile pen to writing important documents, including the state's Declaration of Rights, and held many high offices. According to family legend, he was not among the signers of the Declaration of Independence only because he was incapacitated by an attack of gout.

After being entertained at Mount Clare John Adams commented most appreciatively on the beautiful terraces which still lead down to the

Famous American Homes

Mount Clare

ONLY SURVIVING
COLONIAL HOUSE IN BALTIMORE



Charles Carroll, Barrister

French furniture in drawing room was imported by Carroll



river. In the hallway of the home hangs an oil painting of two other distinguished visitors, Generals Washington and Lafayette, pictured with the Barrister on the broad lawn which once stretched before the house.

The Barrister's wife was the former Margaret Tilghman, "a young lady of great Merit, Beauty and Fortune." As their only children were twins who died in infancy, he left Mount Clare to James Maccubbin, his sister's son, with the proviso that he adopt the Carroll name. The young man complied and for many years the property remained in the family's possession.

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